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Exploring alternative approaches to entrepreneurial exporting growth – Government Intervention or ‘self-help’?

EFFECTUATION – SELF HELP

Norah Cussen | Master in International Business | D14123791

Declaration

I certify that this thesis, which I now submit for examination for the award of Master in International Business, is entirely my own work and has not been taken from the work of others save and to the extent that such work has been cited and acknowledged within the text of my work. This thesis was prepared according to the regulations for postgraduate study by research of the Dublin Institute of Technology and has not been submitted in whole or in part for an award in any other Institute or University. The work reported on in this thesis conforms to the principles and requirements of the Institute's guidelines for ethics in research. The Institute has permission to keep, to lend or to copy this thesis in whole or in part, on condition that any such use of the material of the thesis be duly acknowledged.

Signature _____ Date _____

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Finally I would like to thank my parents for their support and encouragement. Their entrepreneurial backgrounds inspired this research.

Abstract

This study is exploring the untapped potential of entrepreneurs to ‘self-help’ when seeking to enter new markets through exporting. This research is exploring the concept of effectuation as a ‘self-help’ theory. In doing so, the researcher hopes to begin to determine if this ‘self-help’ nature of entrepreneurs could be cultivated and potentially produce an alternative approach to entrepreneurial exporting growth.

In order to explore this topic the researcher has engaged with exporting entrepreneurs and has drawn on their personal experiences and thoughts. This provided the researchers with vital data from ‘grassroots’ level perspective. This data was then analysed and provided a worthy argument for ‘self-help’.

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1.0 Introduction

1.1 Introduction & Rationale

Foreign Direct Investment has been an engine for growth for the Irish Economy, with Ireland's attractive corporate tax rate pulling in the big multinationals such as Google, Apple and Facebook. However, this may not last forever with US President Barack Obama poignantly stating;

“I don't care if it's legal – it's wrong,” he told an audience. “You don't get to choose the tax rate you pay. These companies shouldn't either.” (Irish Times, 2014)

This Statement was referring to US companies relocating to Ireland for tax breaks. He went on to call these multinationals “corporate deserters”. The Irish government have acknowledged the over investment in FDI and stress the need to explore other alternatives to sustainable growth. An Taoiseach, Enda Kenny identified entrepreneurship as a mechanism to achieve that growth, stating;

“Entrepreneurship has never been more important to the country, its people and its future” (National Policy Statement on Entrepreneurship in Ireland , 2014).

The National Policy Statement on Entrepreneurship (2014), also identifies the potential of entrepreneurial exporting as a mechanism to achieve this much needed indigenous growth. The strategy to increase activity in this area aligns with The Action Plan for Jobs 2015 initiative, to increase the amount Irish based companies exporting, to support start-up entrepreneurs and increase their survival rate (Action Plan for Jobs, 2015).

The Government have also called for alternative approaches to be explored. This study seeks to explore the concept of effectuation with government policy to determine how much of entrepreneurs exporting activity is aided by government intervention and how much is due to effectuation or otherwise known as ‘self-help’, and if this concept could potentially deliver an alternative mechanism for entrepreneurial exporting growth.

The phenomenon of effectuation (Sarasvathy, 2001), suggests that entrepreneurs begin by exploring the means that are available to them and then decide their preferred outcomes, which is arguably a valid approach to building entrepreneurial exporting activity rather than taking a top-down approach only. According to Sarasvathy, effectual logic happens in mind of an individual, where it provides a way of thinking about making decisions when non-predictive control is required. In order to explain effectuation this cooking analogy can be used:

“When deciding what to make for dinner some will think about what they want and go to the supermarket to buy the ingredients. Whereas, a person applying effectual logic will go home and make something out of what they have in their cupboards.”

With the government focusing on growing indigenous enterprises in Ireland and supporting Irish entrepreneurs to develop a global presence, there is a need to examine alternative approaches to growing entrepreneurship and examine the barriers these entrepreneurs face when accessing international markets. The researcher seeks to extend the work of Sarasvathy’s (2001, 2008, 2012, 2013) effectuation and explore its potential as an alternative approach to entrepreneurial exporting growth, which has not been explored in this context.

However, Perry, Chandler and Markova (2011) review Sarasvathy’s entrepreneurial effectuation and they conclude that based on the existing literature, the study of effectuation is at a nascent/intermediate stage. This review identified a need for more research in this area. This study seeks to extend the work of Sarasvathy’s (2001, 2012, 2008, 2013) effectuation and follow Sarasvathy’s (2008) own recommendation to explore the possibility of effectuation for international entrepreneurship theory.

1.2 Objective of Research

This research seeks to;

Exploring alternative approaches to entrepreneurial exporting growth – Government Intervention or ‘self-help’?

This research will explore the process of entrepreneurs exporting and establish how much of their successful entry into international markets is due to government help (top down policy) and how much comes from effectuation (self-help). In doing so this study hopes to extend the work of Sara Sarasvathy and explore its potential as an alternative approach to meet policy objectives. In order to explore the topic the researcher has derived objectives from the literature and context review, which are;

- To explore factors which enable entrepreneurs to export; Push or Pull
- To explore the entrepreneur’s knowledge, experience and perceptions of government intervention in reducing barriers to entrepreneurial export activity.
- To explore the entrepreneur’s perception of what supports they feel is needed from ‘grassroots level’.
- To explore the concept of effectuation for entrepreneurial exporting activity; if effectual logic is applied when engaging in export activity and to what extent.

2.0 Literature Review

2.1 Entrepreneurship

2.1.1 Who is an entrepreneur?

The entrepreneur is an exciting and interesting individual that academics have been studying for approximately 30-40 years in many different contexts. However, the theory of entrepreneurship is still one of the weakest links in modern economics and there are conflicting opinions as to the definition and the value of entrepreneurship. (Landstrom, Harirchi, & Astrom, 2012) (Montanye, 2006).

There is no single definition of what constitutes an entrepreneur (Carland *et al.* 1988) but many researchers have taken different approaches. Gartner (1988) does describe entrepreneurship as the creation of new ventures. However, McMullen and Dimov (2013) and Lazear (2005) suggest that entrepreneurship is a journey that follows a process orientation, suggesting it is not one action but a process that occurs over time. Whereas Shane and Venkataraman (2000) define entrepreneurship as being concerned with opportunities that lead to these new ventures and suggest that in order to understand the entrepreneur we must study how, by whom and with what entrepreneurial opportunities are created. Peterson *et al.* (1986) agree with the notion that entrepreneurs are opportunistic, but suggest that they are also craftsmen.

Lazear (2005), Politis and Gabrielsson (2009) indicate that characteristics such as attitudes to and perception of failure and possessing a variety skills are very prominent in studies of entrepreneurs. Furthermore, Delmar and Davidsson's (2000) study found that the individuals experience, education, family's career choice and exposure to entrepreneurship are also important factors.

The discussion of the traits and characteristics of entrepreneurs is continued by many with McClelland (1961) suggesting the entrepreneur has a need for achievement. Mintzberg (1973) refers to the entrepreneur having a need for control. Davidsson (2006) also points to non-financial objectives such as opportunity and independence. Wu and Li (2011) reviewed the multiple approaches to defining entrepreneurship and found the most

commonly stated traits to be the need for achievement, risk-taking propensity, and locus of control, over-optimism and desire for autonomy.

However, Gartner (1988), Jenks(1950) and Kilby (1971) strongly criticized researchers who seek to categorise entrepreneurs by their personality traits and suggest it is their behaviour and actions that differentiates them. Indeed this may be so, although Carland *et al.* (1988) remark that entrepreneurship researchers tend to get caught up in debates between ‘behaviour’ and ‘traits’ instead of asking the question ‘why’.

Entrepreneurship is a complex and dynamic process which makes is hard to define (Carland *et al.*1988). Casson and Wadeson (2007) acknowledge this complexity and draw on multiple previous definitions of entrepreneurship and suggest that there are four approaches to defining entrepreneurship and together this combination provides an accurate picture of entrepreneurship. These are; *functions* such as innovation and risk taking, *roles* such as management and ownership of firm, then *personal characteristics* and *behavior*.

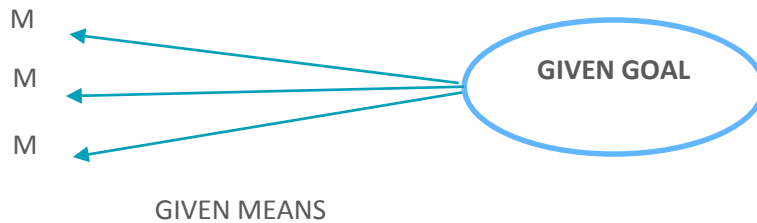
Furthermore, Sarasvathy (2012) presents a different perspective on the argument and suggests that what makes entrepreneurs entrepreneurial is their different reasoning process, called effectual reasoning. *Figure 1* shows the three types of thinking managerial, strategic and entrepreneurial. Saravathy (2012) suggests that this entrepreneurial effectual logic is what defines entrepreneurs. Instead of having a predetermined goal (such as to become an exporter) entrepreneurs use the means available to them. Using Saravathy’s (2001,2008,2012) concept it can be suggested that entrepreneurs use the skills or means available to them, whether it be the traits suggested by Wu and Li (2011) or their educational background (Delmar & Davidsson’s 2000) and this is what makes them entrepreneurial.

Figure 1 : Sara Saravathy approach to defining the entrepreneur

M = Means E= Ends

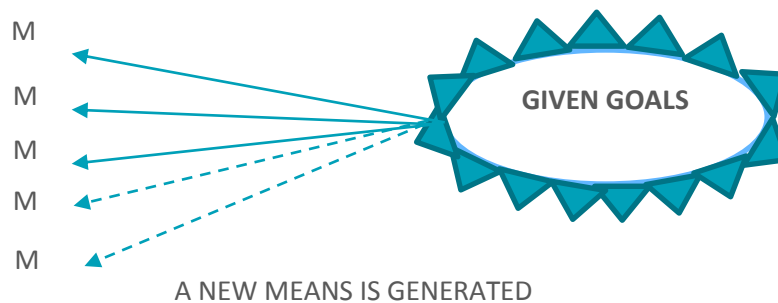
Managerial Thinking –Casual Reasoning

Selecting between given means to achieve a predetermined goal.



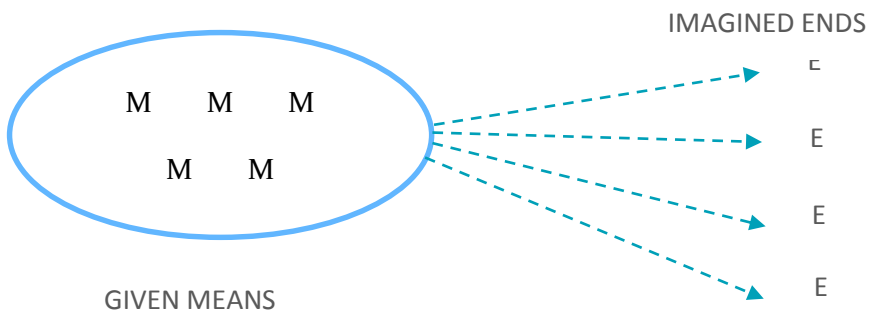
Strategic Thinking- Creative Casual

Generating new means to achieve a predetermined goal



Entrepreneurial Thinking – Effectual Reasoning

Imagining possible new ends using a given set of means



(Saravathy S. , Effectuation 101, 2012)

2.2.2 Types of Entrepreneurship

It has been generally accepted by researchers that entrepreneurship takes place at multiple levels and thus should be examined at these levels; individual entrepreneurs, organisational entrepreneurs and national (macro level) entrepreneurship (Luke *et al.* 2007). Examining the individual, is the entrepreneur who engaging in entrepreneurial activity and the characteristics they possess, behaviours and actions as discussed in 2.2.1.

Then there is organisational level entrepreneurship which refers to how an organisations as a whole engage in entrepreneurship, which is corporate entrepreneurship. Then there is ‘intrapreneurship’ that refers to business units within an organisation (Luke *et al.* 2007). Organisation level entrepreneurship is associated with helping the firm achieve competitive advantage (Ireland *et al.* 2001). Porter (1980) remarks, that characteristics of entrepreneurship such as innovation and growth, have been linked to organisations developing product and market leadership.

Entrepreneurship on a national level refers to the implications of entrepreneurship that extend to the macro level environment (Dividsson, 2006). However, entrepreneurship is being considered on a number of macro levels such as industries, geographic regions, societies and counties. The macro levels of entrepreneurial activity are concerned with the creation of new products and markets, to more efficient allocation of resources, increased standards of living, job creation and civic leadership (Luke *et al.* 2007).

2.1.3 The Value of Entrepreneurship

Gray *et al.* (2006) suggest that there are forces that pull individuals in to becoming entrepreneurs, on a micro level internal forces (personal characteristics) such as aspirations and motivations. On a macro level situational factors or external forces play an important role such as; government policy, financial markets or market infrastructure. However some pull factors can be negative such as becoming an entrepreneur due to unhappiness with current job.

Luke *et al.* (2007) suggests that the benefits of entrepreneurship are significant in both number and scope and this is what makes entrepreneurship attractive. These benefits fall

under two categories financial and non-financial, and in order to measure these benefits they should be analysed on the different levels of entrepreneurship individual, organizational and national. Gains and losses must also be considered in order to determine the real benefits.

Wu and Li (2011) use a five dimensional research model to illustrate the perceived benefits of entrepreneurship and like Luke *et al* (2007) also suggest that the sacrifices must also be considered to determine the value of entrepreneurship. This model suggests that a variation of emotional, economic, social, epistemic and self-actualization values lead to the entrepreneurs perceived benefits of entrepreneurship and these are then weighed against monetary and non-monetary sacrifices to give the perceived value of entering into entrepreneurial activity. Each entrepreneur will hold these values in different regards and will enter into entrepreneurial activity not just for economic benefits but also for other factors such as social and emotional value which they determine to be benefits (Wu & Li, 2011).

2.1.4 The Challenges of Entrepreneurship

Whatever the perceived benefits may be or the entrepreneur's motivations for becoming an entrepreneur, the sacrifices and challenges they face are very prevalent. Bobera *et al.* (2014) suggests that the barriers entrepreneurs face fall under three categories; fiscal burdens, human resource related burdens and subjective circumstances such as fear of failure and education. The study found fiscal burdens to be the heaviest on the entrepreneur and the most obstructive to the entrepreneurial process. The results showed that the heaviest burdens were funding, taxes and VAT. Human resource related burdens also had considerable impact on the entrepreneurial process, in particular the hiring and firing of staff. Subjective circumstances such as family supports and fear of failure were noted but not considered as burdens. Politis and Gabrielsson's (2009) also found that entrepreneurs had a different attitude to failure and while they recognise it as an issue they do not see failure as a barrier.

Entrepreneurship has a positive effect on economic growth because it generates economic activity (Castaño *et al.* 2015). However, many factors effect an entrepreneur's decision to engage in entrepreneurial activity and can act as deterrents. As discussed in section 2.1.1 the entrepreneurs personal characteristics play an important role, other factors to be considered are social, cultural and economic. Social factors are of huge importance in creating an environment that enables entrepreneurs to succeed, Schumpeter (1934) calls this the social climate. This social climate refers to influencing factors such a social values, training, economic freedom and institutional quality. These factors need to be present in order for entrepreneurial activity to prosper.

Castaño *et al.* (2015) refer to the role of culture, suggesting it can be an actor for growth or a barrier. It is important that the entrepreneur is aware of both the formal and informal cultural rules of the society they are engaging in entrepreneurial activity. Political, civil, and human rights, an efficient government, the rule of law, and corruption control determine the strength and influence of institutions. These institutions determine the quality of the nation's government and set out the behaviour rules for economy actors such as entrepreneurs (Nissan *et al.* 2012). If these institutions have a positive influence, culture can benefit entrepreneurship but equally so if the government is corrupt and its institutions then it can act as a barrier to economic actors including entrepreneurial growth.

Economic factors have great impact on entrepreneurial activity (Castaño *et al.* 2015). A poor economic performance can have a negative impact on entrepreneurship, through a recession people can have poor perception of economic expectations and opportunities, acting as a barrier to encouraging individuals to engage in entrepreneurial activity (Galor & Zeira, 1993, Bourguignon & Verdier, 2000).

2.1.5 Effectuation as a mechanism for Entrepreneurial Growth

Sara Sarasvathy's (2001, 2012, 2008, 2013) research into effectuation, discusses the concept that everything starts with 'you'. She makes the point that the business world is becoming more free-market and entrepreneurial. However, with our business education

and knowledge based on decision making for pre-existing firms, a very large fraction of business people struggle to make decisions from an entrepreneurial perspective.

Effectuation (Sara Sarasvathy, 2001, 2012, 2008, 2013), suggests that entrepreneurs should begin by exploring the means are available to them and then decide their preferred outcomes. According to Sarasvathy, effectual logic happens in the mind of an individual, where it provides a way of thinking about making decisions when non-predictive control is required. The effectual cycle represents the thinking process, in a form used in creating products, markets, and ventures.

Sarasvathy (2008) suggest that at each stage of the entrepreneurial process, entrepreneurs follow a set of principles with making decisions. Each of the five principles embody techniques of non-predictive control – i.e. reducing the use of predictive strategies to control uncertain situations. The core principles of effectuation are;

- *The patch quilt principle*, this principle is means-driven action rather than goal-driven. The emphasis here is on creating something new with existing means rather than discovering new ways to achieve given goals.
- *The affordable loss principle*, this involved committing in advance to what one is willing to lose rather than investing in calculation about expected returns to the project.
- *The bird in-hand principle*, this involves negotiating with any and all stakeholders who are willing to make actual commitment to the project, without worrying about opportunity cost or carrying out elaborate competitive analyses.
- *The lemonade principle*, suggests acknowledging and appropriating contingency by leveraging surprises rather than trying to avoid them, overcome them, or adapt to them.
- *The pilot-in-the-plane principle*, urges relying on and working with human agency as the prime driver of opportunity rather than limiting entrepreneurial efforts to exploit exogenous factors such as technological trajectories and socio-economic trends.

2.2 Access to International Markets – Exporting

2.2.1 Entry modes

Foreign market entry modes are defined as institutional arrangements that allow firms to use their product or service in a country exchange (Calof, 2003). When a firm decides to internationalise there are many different entry modes they can choose from such as; licensing and franchising, through exporting directly or through independent channels, to foreign direct investments (joint ventures, acquisitions, mergers and wholly-owned new ventures) (Pehrsson, 2008). Whichever the chosen entry mode evidence suggests that internationalisation significantly increases firm's performance (Daniels & Bracker, 1989)

Many entrepreneurs and SME's choose exporting when accessing new markets as it doesn't require any foreign investment of assets. Exporting is located and controlled domestically. This is suitable as many firms start the internationalisation process when they are relatively small and it allows them to gradually develop their international operations (Rasheed, 2005; Johanson & Wiedershiem, 1975).

Johanson and Wiedershiem (1975) suggest that exporting happens in stages and that this staged approach reduces risks and barriers associated with exporting. This staged approach involves four steps. Which are;

- 1) no regular export activities
- 2) exporting via independent representative or agent
- 3) sales subsidiary
- 4) production / manufacturing

Freund & Pierola (2001) study examines entrepreneurs exporting and rather than a staged entry mode suggest that entrepreneurs should begin exporting in a trial and error model. Testing small amounts of export products in new markets as means of reducing entry costs and failure rate. This allows entrepreneurs to test the new product/market without large investment or losses.

2.2.2 The Benefits of Exporting

There are many reasons entrepreneurs turn to exporting, some by choice others by necessity. Putniņš (2013) discusses drivers of exporting and suggests a small domestic market is a driver for businesses to turn to exporting to grow their business in international markets. Businesses from larger domestic markets also look to exporting as a means of expansion and market entry. Putniņš (2013) Study of Latvian based exporting companies found that they tend to be larger, younger and faster growing than non exporting companies. Companies that engage in exporting have also been found to be more innovative, productive and risk taking, and therefore have a higher entrepreneurial orientation. These have also been found to be characteristics of the entrepreneur. (Wu & Li, 2011)

Indeed, it has been suggested that the main issues for exporters and entrepreneurs alike are financial burdens (Putniņš, 2013). However Greenaway *et al.* (2007) found that exporters exhibit better financial health than non-exporters and that participating in export markets will improve a struggling business's financial health. Greenaway *et al.* (2007) did also suggest that the growth in financial health decreases as exporting activities continue. Although this view is not reflected by Albornoz *et al.* (2012) and Klein *et al.* (2013) who suggest that exporters see increased profitability the more they continue engaging in export activity.

A Study of UK based companies found that more and more companies are exporting, with more than two thirds of companies surveyed engaging in exporting activity. This study also found that companies who export tend to be larger and more profitable. Its findings also revealed that new exporters find a boost in productivity in the year they enter a new market (Greenaway & Kneller, 2007). Biesebröck (2005) studied manufacturing firms and also found that exporting increases productivity and allows them to achieve economy of scale. The findings of Putnis (2013), Greenaway and Kneller (2007) and Biesebröck (2005) all support the notion that successful exporting can grow or revive a business's productivity.

Similar benefits of exporting are also found in Albornoz *et al.* (2012) study. However, this study also found that many exporters cease exporting shortly after beginning and the

reason for this to be due to financial costs. However those that don't give up see increased sales and profitably and continue to expand to new destinations. This allows exporters to overcome initial uncertainty that is associated with first-time exporters. The more the firms continue to export the more they recover any initial financial losses, making continued exporting very worthwhile (Albornoz *et al.* 2012).

2.2.2 The challenges for exporters

Putniņš (2013) identified the barriers companies face when exporting found that legal barriers in foreign markets causes issues. As does lack of knowledge about the foreign market and exporting process. These barriers are increased by cultural differences and language constraints. Sarasvarth *et al.* (2013) found that these barriers are harder to overcome due to exporters cross-border uncertainty and limited resources. Exporters also find strong competition an issue in foreign markets and struggle to compete with price and building a brand reputation. These barriers are in turn affected by network barriers, as exporters struggle to build and maintain international networks, which have been found to reduce barriers. (Saravathy *et al.* 2013; Putniņš 2013; Johnson & Wiedershiem 1975)

Klein *et al.* (2013) support the findings that engaging in export activity will increase a firm's demand levels and increase productivity, but remark this requires the firm to hire a more skilled workforce. However, availability of skilled workforce also has been found to be a major issue for exporters (Putniņš, 2013).

Grandintetti and Mason (2012) examine the determinants of export performance and point out that firms exporting rather than investing directly in foreign marketing can result in a lack of knowledge about the new market. Firms that do invest directly have the benefit of being able to gain local knowledge and information that enable them to adapt marketing strategies to the specific characteristics of that market. This also allows them to adapt quickly to market changes that may not be seen through exporting and build a reputation in the new market with a physical presence. Lack of knowledge of new market and culture also leads to cross border uncertainty (Saravathy *et al.* 2013; Putniņš 2013). This lack

of knowledge and cross border uncertainty also sees firms only export to neighbouring countries, with similar business practices (Johanson & Wiedersheim, 1975).

Anderson and van Wincoop (2004), Putniņš (2013), Melitz (2003) and Greenaway and Kneller (2007) concur that the main reason many firms don't export or cease exporting is due to trade costs. Furthermore, as a means to reduce these costs firms are more likely to export only to neighbouring countries, with similar practices (Johanson & Wiedersheim, 1975). However, there is an increased risk with smaller scope of destinations.

Putniņš (2013) found in order to overcome these barriers exporting companies had successfully carried out certain actions to improve their success rate. With actions such as long term strategy planning, preparation, partnership and regular visits to export markets. However it is not always feasible for start-ups to carry out these actions especially partnerships and regular visits to export markets (Grandintetti and Mason, 2012).

Nguyen (2012) examined the reasons why exporters failed and similar to Putniņš (2013), found a number of main concerning issues. These were; poor planning, wrong timing, enthusiasm crowded on facts, product failure, and product lacked a company or company politics. Nguyen (2012) studied these issues and presented a model as an attempt to reduce failure rate. Which proposes using known demands in tested exporting destinations to forecast demands in unknown destinations and then slowly expand the scope of exporting destinations. However, this model only presents a solution for pre-existing exporting firm as first time exporters don't have this knowledge.

It is widely acknowledged in the exporting literature that exporting increases productivity (Albornoz *et al.* 2012; Klein *et al.* 2013; Greenaway *et al.* 2007; Putniņš, 2013; Greenaway & Kneller, 2007; Biesebroeck, 2005). Crespi (2008) examines how firms increase productivity when continuing to export and found that exporters learn from previous clients and use this to continue exporting activity. This study found that UK firms did not cite other sources as knowledge resource for exporting activity (such as government support agencies) instead they used their experience with clients and customers to increase their growth. If this is the case it presents a problem for first time

exporters who do not have the facility of learning from previous clients. Nguyen (2012) model for forecasting exporting demand presents the same problem, as start-ups or first time exporters don't have this pre-existing knowledge or experience.

It is clear there are a vast number of barriers faced by exporters, which differ depending on the business type being conducted. Therefore alternative approaches as to how these exporters deal with the barriers need to be explored.

2.2.1 Effectuation as an approach to exporting growth.

Harm & Schiele (2012) refer Sara Sarasvathy's (2001, 2008, 2012, 2013) effectuation for the selection of entry modes into new markets, they suggest that experienced entrepreneurs use effectuation in this process. This study found that decision making processes do matter in international business and that effectuation is in fact used. It was also found that entrepreneurs find psychic distance (distance between homeland and new market country) as an information gap and the further away the exporting country the less effectuation will be used. However, recommendations for future research suggest the need to clarify this and pose the question to what extent do exporters use effectuation in the internationalisation process.

Galkina (2013), applies the concept of effectuation to the internationalisation of SME's and explores how they use effectuation to build networks a reduce barriers in the internationalisation process, building networks is one of the key challenges for exporters (Putniņš2013)(Sarasvathy *et al.*2013). Like Sarasvathy (2001, 2008, 2012, 2013), Galkina (2013), suggests entrepreneurs use effectual logic to build networks that allow them to internationalize their business. Both Sarasvathy (2001, 2008, 2012, 2013) and Galkina (2013) suggest that entrepreneurs use effectual logic which in turn effects the entrepreneurial process. Indeed, entrepreneurs use effectual logic to build networks, which is a key element to successful exporting, however the extent to which entrepreneurs use effectuation in the exporting process is yet to be determined.

Sarasvathy *et al.* (2013) review international entrepreneurship through an effectual lens and applied the five principles of effectuation (Saravathy, 2008) to the main barriers for

exporting (Saravathy *et al.* 2013) and suggests that international entrepreneurship theory should be reviewed through the perceptive lens of effectuation to develop more coherent and comprehensive models.

This research intends to further explore effectuation and exporting processes and determine if entrepreneurs apply effectuation or is it government interventions that draw them to choose exporting as an entry mode to new markets.

2.3 The Government

2.4.1 Forms of Government Intervention

Wint (1990) suggests government intervention can be divided into two categories. The first category of intervention would include government participation in generic education and general infrastructure development. The second includes placed incentives, where in the form of import protection or export promotion, to particular industries or firms, allocated credit, government-finances industry-specific research or training.

2.3.2 An Argument for Government Intervention

Gnyawali and Fogel (1994) states that government have the ability to influence market mechanisms and improve the way they function, by reducing obstacles that cause imperfections and rigidities. They can also help to develop and grow economic actors, such as entrepreneurial activity by creating a social and cultural environment that encourage business start-ups (Nissan *et al.* 2012). Some researchers suggest that the government can stimulate entrepreneurial growth through the public spending measures such as; provision of capital risk funds, tax incentives, governmental purchasing programs, public contracts, protection of intellectual property rights, investment in education and R&D, and specific support for entrepreneurs from governmental agencies (McMullen, *et al.* 2008; Gnyawali & Fogel 1994).

Mei (2005) also make a case for government intervention and suggest that it is inevitable as a result of social development. Mei (2005) gives the example of the US being historically individualist, meaning that the individuals are the core of a society not institutions. However, this has changed since The Great Depression and involvement has increased with hardly any aspect of social life left without government regulation.

Toward the end of the Great Depression the Keynesian theory was developed. Keynes argued that low employment during this time resulted from inadequate demand, and government intervention was necessary to increase aggregate demand. Keynes suggests that the government can generate employment through public works and thus generating growth in the economy (Aikins, 2009).

2.3.2 The Negative Outcomes of Government Intervention

Not all follow this school of thought and some believe that government spending can have a negative effect on the economy as it enables unsuccessful entrepreneurs to continuing operating (Campbell & Mitchell, 2012). Khandana and Nili (2014) also suggest that government intervention can have negative effects, they refer to the government labour market and suggest that rules for higher minimum wage, can actually have a negative effect and cause firms to lay off many of their employees or even encourage entrepreneurs to employ informal workers with lower wages.

Young *et al.* (2012) refers to the negatives effects of government intervention, referring to the recent global crisis and how governments are increasingly trying to stabile the economy through spending cuts, aiming to reduce national deficits. However, spending cuts while they address national deficits they can also have repercussions on a local and region level. Aikins (2009) also refers to the effects of the global financial crisis on government intervention and asks not if it is correct, but considers if we are intervening in the correct way. Aikins (2009) recalls the negative history of government intervention and asks the question: What is being done to ensure that interventionist policies being pursued do not end up further wrecking the global economy? And what safe guards are being put in place to avoid inefficiencies of intervention?

Lam (2000) also suggest that government intervention can spur negative effects, furthermore Lam (2000) argues that rapid economic development as a result of government intervention can mask social problems. However, this study based on a comparison between Hong-Kong and Singapore did recommend that government intervention can be justified under the term 'positive non-interventionism' for reasons of social justice, instability and efficient allocation of resources.

Wint (1990) refers to government intervention in exporting activity and suggests it is selective intervention, which also infers it to be discriminatory. When a government opts for a non-neutral incentive regime, governments promote exports and discriminate against non-exporting firms or even those operating in an internationally competitive manner. This can then entrench discrimination in existing exporter's relations to start-up firms, that may be the foundation for the countries development.

2.4 Conclusions from Literature Review

From the literature it is clear that there is an ongoing debate as to what constitutes entrepreneurship and who the entrepreneur is. It is suggested that the traits and characteristics that entrepreneurs possess is what defines them (Shane & Venkataraman, 2000; Peterson et al. 1986; Lazear, 2005; Politis & Gabrielsson, 2009; Delmar & Daivdsson, 2000; Minztberg, 1977; McClelland; Wu & Li 2011). Whereas, other research camps suggest it is the entrepreneur behaviour that we should be examining (Gartner, 1988; Jenks, 1950, Kilby, 1971). It is clear that entrepreneurship is complex and dynamic. Thus defining it is a complex process, which many have taken alternative approaches too (Casson & Wadson, 2007).

Sara Saravathy's (2001, 2008, 2012, 2013) proposes an alternative perspective with the concept of effectuation. Which suggests that entrepreneur's use effectual logic, basing their decisions from 'grass roots level'. Whereas, government policy works from a top down perspective. From the literature and policy review a gap can be identified in assessing how much of entrepreneurial exporting activity is as a result of government intervention and how much is a result of effectuation (self-help).

Previous studies have been conducted to test effectuation in the entrepreneurial process (Galkina, 2013) and found that entrepreneurs use effectual logic to build international networks but none have examined this solely in entrepreneurial exporting activity. Perry, Chandler and Markova (2011) review effectuation and have concluded that this area of research needs continued research.

This approach presents possibility to reduce barriers and challenges to entrepreneurship such as fiscal and non-fiscal (Bobera et al. 2014). While helping the entrepreneur deal with these also discussed the social (Schumpter, 1934), cultural (Nissan *et al.* 2012) and economic (Galor & Zeira, 1993, Bourguignon & Verdier, 2000) factors.

The literature on entrepreneurship and exporting are interlinked as many of the struggles of the entrepreneur are similar for first time exporters, such as finance or costs (Anderson & Van Wincoop 2004; Putniņš, 2013; Melitz, 2003; Greenaway and Kneller, 2007).

The literature also suggest that while firms have initial barriers with exporting activity it will increase their productivity and financial health (Putnis, 2013; Greenaway & Kneller, 2007; Biesebroeck, 2005) all support the notion that successful exporting can grow or revive a businesses productivity.

The litterature on government interventions suggests that while the government may succeed in addressing certain ecomonic and market issue, their intverntions can have reproussions and this must also be considered. (Young *et al.*, 2012; Lam, 2000; Aikins, 2009)

3. Entrepreneurs & Exporting Performance– Ireland and Internationally

3. 1 Global Entrepreneurship and Exporting

3.1.1 Global Entrepreneurship

The European Commission has recognised entrepreneurship as a mechanism to deliver smart sustainable and inclusive growth. The Global Entrepreneurship Development Institute is a research organisation that advances knowledge on links between entrepreneurship, economic development and prosperity. The Global Entrepreneurship Development Institute (2015) report showed that Irelands ranking has increased from **19th** in 2014 to **17th** in 2015. Table 1 shows how the top 20 world countries rank according to the index. It is interesting to note that Denmark who has a population of 5.6 million ranks 6th in GEDI comparison, whereas Ireland with a population of 4.5 million only ranked 17th.

The Global Entrepreneurship Development Index (GEDI) provides an insight into a country's relative global ranking. The Index assesses countries on the efficiency of their national start-up ecosystems through analysis of 34 essential individual and institutional variables. This Index rates the countries according to their performance in the 34 categories to give them a Global Entrepreneurship Development Index Rating. This intends to reveal bottlenecks in the ecosystems that damage competitive advantage for start-ups and provide rankings by region to give policy makers a basis for comparison.

TABLE 1: The Global Entrepreneurship and Development Institute (2015) Global Entrepreneurship Development Index

GEI = GLOBAL ENTREPRENEURSHIP INDEX

Rank	Country	GEI
1	United States	85.0
2	Canada	81.5
3	Australia	77.6
4	United Kingdom	72.7
5	Sweden	71.8
6	Denmark	71.4
7	Iceland	70.4
8	Taiwan	69.1
9	Switzerland	68.6
10	Singapore	68.1
11	Germany	67.4
12	France	67.3
13	Netherlands	66.5
14	Finland	65.7
15	Norway	65.6
16	Belgium	65.5
17	Ireland	65.3
18	Austria	64.9
19	Chile	63.2
20	United Arab Emirates	61.6

3.1.2 Global Exporting

World export value reached a total of 16,669,395,559.59 US Dollars in 2013. These exports of goods and services represent the value of all goods and other market services provided to the rest of the world. They include the value of merchandise, freight, insurance, transport, travel, royalties, license fees, and other services, such as communication construction, financial, information, business, personal and government services. They exclude compensation of employees and investment income (formerly called factor services) and transfer payments (The World Bank, 2015). Figure 2 shows the increases and decreases in world exports from period of 2005 to 2014. Table 2 shows a breakdown of these exports and ranking. China has the most exports, with more than the whole European Union combined.

The World Trade Organization (WTO) is the only international organisation dealing with the global rules of trade between nations, which has enabled these exports to grow in recent years. Its main function is to ensure that trade flows as smoothly, predictably and freely as possible. They do this by trade negotiating with participating countries, with the aim of reducing trade barriers (World Trade Organisation, 2015).

FIGURE 2: The Overview of World Exports of Goods and Services (% of GDP)

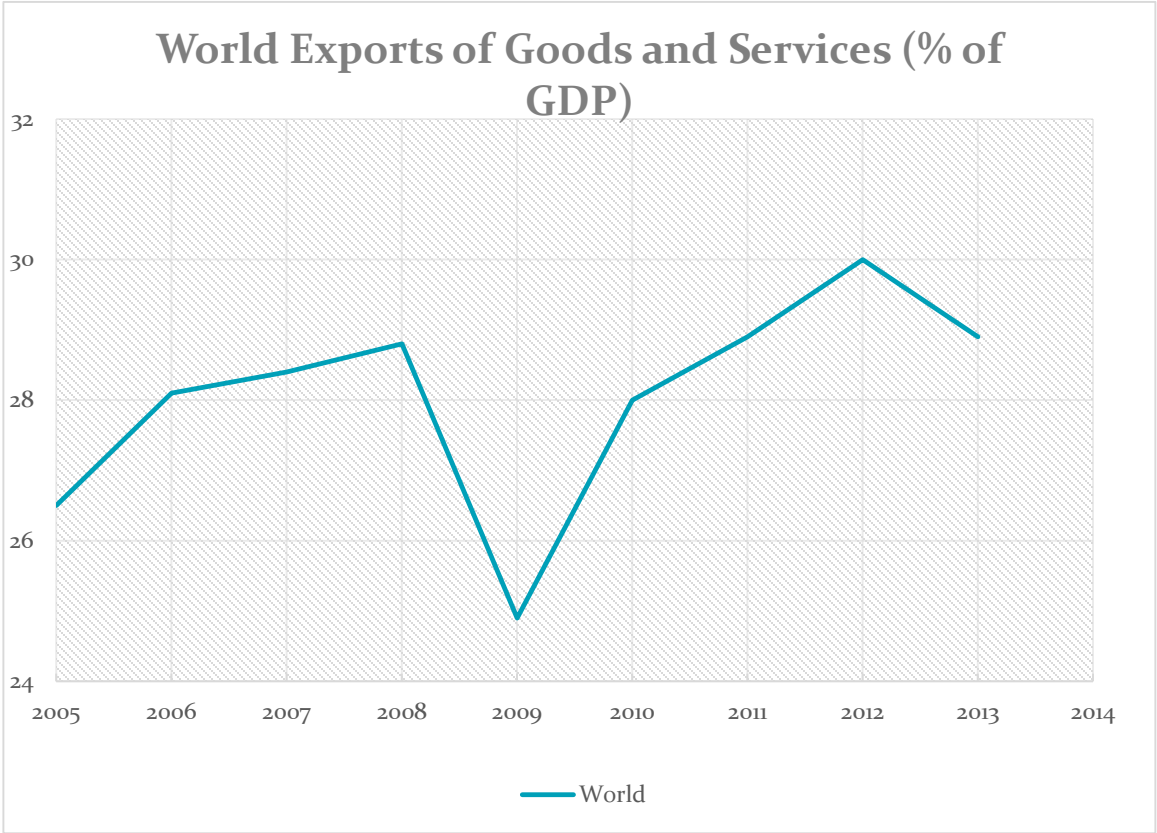


Figure 2: (The World Bank, 2015)

TABLE 2: CIA (2014) The World Factbook; Exports Country Comparison

Rank	Country	Exports in US \$ Billion
1	China	2,252
2	European Union	2,173
3	United States	1,610
4	Germany	1,547
5	Japan	710.5
6	Korea, South	628
7	France	578.3
8	Netherlands	552.8
9	Hong Kong	528.8
10	Russia	520.3
11	United Kingdom	503.4
12	Italy	500.3
13	Canada	465.1
14	Singapore	449.1
15	Mexico	406.4
16	United Arab Emirates	404.7
17	Switzerland	388.9
18	Saudi Arabia	359.4
19	India	342.5
20	Belgium	323.4
35	Ireland	121.8
38	Denmark	108.8

Table 2: (CIA, 2014)

Although Denmark ranked significantly higher in entrepreneurship index. They rank below Ireland for exporting. However, given that Denmark's corporate tax rate is 23.5% and Ireland's is 12.5%, it would suggest that this does not reflect on the indigenous export sector. As earlier mentioned Ireland and Denmark have similar populations and economic structure, suggesting the potential for Ireland to grow the indigenous sector regardless of corporate tax rates.

3.2 Irish Entrepreneurship and Exporting

3.2.1 Irish Entrepreneurship

The table below is based on CSO Business Demography 2011 and shows a great down of total new enterprises in Ireland by sector. The CSO data from that year tells us that there were almost 190,000 trading enterprises in Ireland that year. However, only 11,847 of those were start-ups.

TABLE 3: Entrepreneurship in Ireland by Sector

Start-ups 2011	Number	% of Existing Enterprises in Sector
Industry	725	5.2
Construction	1,976	5.3
Distribution	2,335	5.4
Services	6,429	7.1
Finance & Tourism	372	6.8
Total	11,847	6.2

Table 3: (National Policy Statement on Entrepreneurship in Ireland , 2014)

In the past, two thirds of new jobs in Ireland have been created by companies in the first five years. However, the recession in Ireland was a huge factor in the decline of start-up activity. The CSO reported that from 2006 to 2010 there was a decline in the number of start-ups, with a decrease 16,700 in 2006 to 11,200 in 2010. Not only was there a decline in start-up activity, but also only 51% of those enterprises that were set up in 2006 survived 5 years. 2007 experienced graver survival rates with a mere 48.4% surviving to 2012. (National Policy Statement on Entrepreneurship in Ireland , 2014)

However, even though the entrepreneurial sectors were experiencing great loss and struggle, the start-ups that were founded up to 2011 employed 93,000 people.

The government have set out a strategy for the next five years. Ireland can double the jobs impact of start-ups in the Irish economy if they:

- Increase the number of start-ups by 25% (3,000 more start-ups per year)
- Increase the survival rate in the first five years by 25% (1,800 more survivors per year)
- Improve the capacity of start-ups to grow to scale by **25%**

(National Policy Statement on Entrepreneurship in Ireland , 2014)

3.2.2 Growing Entrepreneurship in Ireland

In order to achieve entrepreneurial growth. There must be improvements in all areas of entrepreneurship environment which is set out in The National Policy Statement on Entrepreneurship in Ireland (2014). State bodies Such Enterprise Ireland responsible for developing and growing Irish enterprises in world markets. It has a network of nine regional offices throughout Ireland (LEO's) and over 30 international locations. They work with entrepreneurs and innovators at all stages of growth to help them develop their business ideas. They also assist and encourage the development of products and services with a global appeal.

The Government have also now launched an SME's tool on The Action Plan for Jobs website. This tool allows the users to search all available supports in the area and industry, of the total 80 government supports available (Department of Jobs, Enterprise and Innovation, 2015).

LEO's hold start-up gatherings where entrepreneurs can network and guest speakers offer advice to entrepreneurs. The aim of this is to help entrepreneurs to create and maintain networks that can help sustain start-ups.

The Entrepreneurship forum noted that sufficient access to finance is crucial to start-ups. Throughout the recession access to finance has suffered and the government are working to improve this by expanding the range of access to finance instruments (National Policy Statement on Entrepreneurship in Ireland , 2014).

3.2.3 Irish Exporting

Ireland's small domestic and open market has resulted in a lot of enterprises turning to exporting to grow their business. Globalisation is seeing trade barriers reduced and the world becoming smaller. The CSO reported the highest ever monthly published figures for exports in April 2015, reaching €9,303 million. The total value exports in 2014 reached €89,206 million (Central Statistics Office, 2015) and indigenous Irish exporters accounting for a €18.6 billion of €181.3 billion total exports in 2013 figures (Irish Exporters Association, 2014). Exporting activity also accounting for 39% of total SME'S turnover in 2013 (Irish Exporters Association, 2014). The chart below shows an overview the total yearly exports by Ireland from the period 2001 to 2014.

FIGURE 3: Total Yearly Exports by State (2014)



Figure 3: (Central Statistics Office, 2015)

Ireland's Competitive Scorecard (2015) was released by The National Competitive Council was realized in July which detailed Ireland's export performance and how Ireland is performing internationally. Between 2000 and 2009, the total value of Irish exports increased by 4% a year. The value of services exports increased by 13.3% a year while the value of goods exports fell by 0.03% a year, also to be considered Indigenous Food and Drink Exports Accounted for 50% of our total indigenous exports (Irish Exporters Association , 2014). In that time, Ireland slipped nine places to 31st in world ranking for goods exports, but maintained a strong 9th position for services exports. (Department of Enterprise, Trade & Innovation, 2015)

The Central Bank of Ireland's, reports that 2014 saw strong rates of growth in exports with a 12.6% increase. This growth forecast continued growth in 2015 and 2016. This should result in a 1.2% per annum contribution to growth from net exports. Much of the growth in exports was driven by impact changes in the level of contract manufacturing activity, but also by improving demand in the UK and the US. The total of goods exported in 2014 increased by 17.2%. The data in *table 4* has been taken from The Central Bank of Ireland's Report (2015), is shows a breakdown of exports by goods and services and a yearly comparison.

TABLE 4: Breakdown of Goods and Service Exports 2014, 2015, 2016

	2014	% in change		2015	% in change		2016 Forecast
	EUR millions	volume	price	EUR millions	volume	price	EUR millions
Exports	207,791	5.7	1.7	223,244	5.8	1.8	240,326
Goods	106,819	5.5	1.6	114,497	5.9	1.6	123,193
Services	100,972	5.9	1.7	108,747	5.6	2.0	117,134

Table 4: (Central Bank of Ireland, 2015)

The government have recognised the need to diversify indigenous exports. *Figure 4* shows a breakdown of the countries Ireland's total exports are going to, whereas *figure 5* shows a breakdown the Irelands indigenous export markets which are not as diversified. The UK accounted for 44% of indigenous exports in 2008. Being concentrated in such a small number of markets and sectors increases our vulnerability to external shocks and currency fluctuations. (Department of Enterprise, Trade & Innovation, 2015)

FIGURE 4: Destinations of Irelands Good and Service Exports 2008

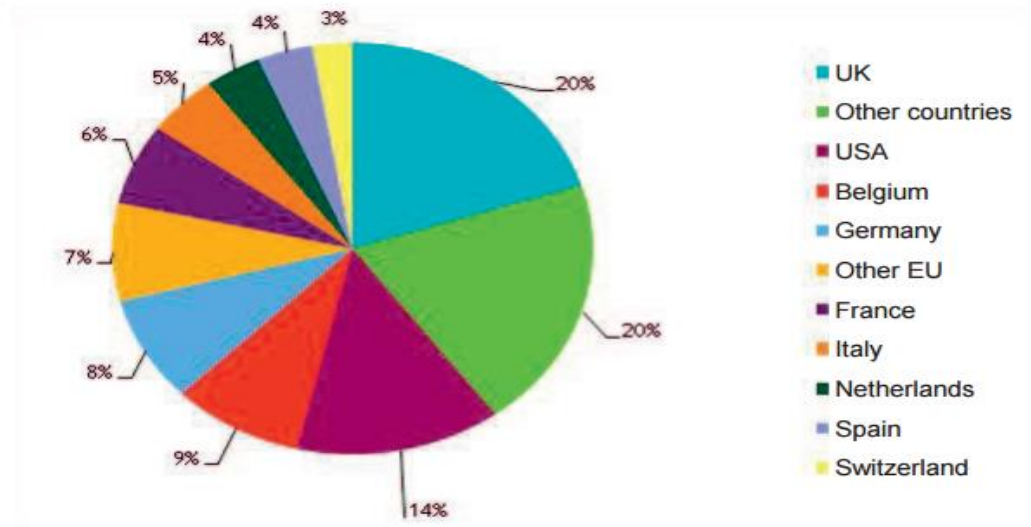
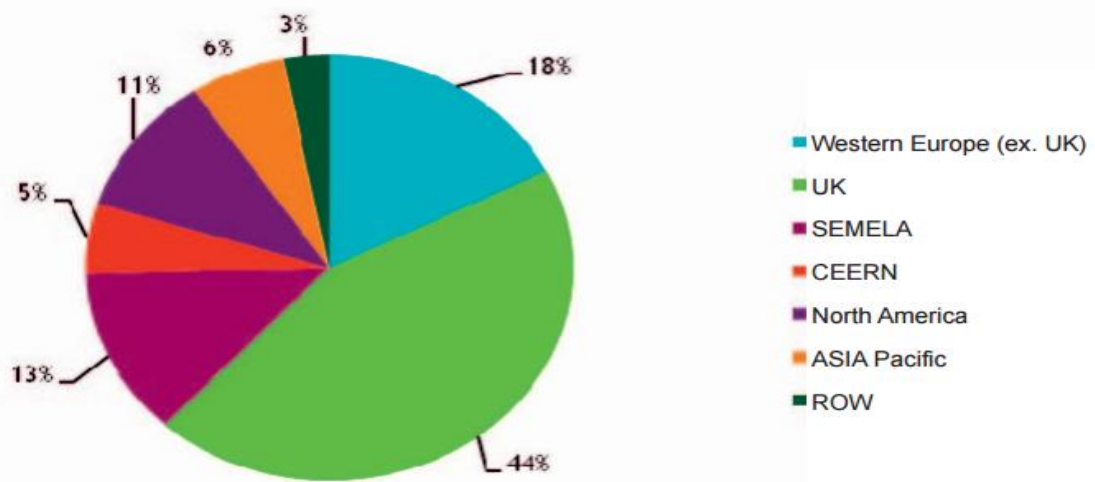


Figure 4: (Department of Enterprise, Trade & Innovation, 2015)

FIGURE 5: Destination of Indigenous Agency Assisted Company Goods and Services Exports 2008



CEERN: Central and Eastern Europe, Russia and Nordics

SEMELA: Southern Europe, Middle East, Africa and Latin America

ROW: Rest of the World

FIGURE 4: (Department of Enterprise, Trade & Innovation, 2015)

Ireland's Competitive Scorecard (2015) acknowledges the role exporting has played in Ireland's renewed competitiveness and economic growth. Ireland's increasing share in the world services trade at 2.7%, has been driven by computer sales (both hardware and software) also since 2013 services account for a larger share of exports than goods and merchandise trade at a declining rate 0.6%. This growth has contributed to a current account surplus for Ireland of almost €4 billion in 2014.

However, Irish export levels must be considered in relation to the performance of foreign owned firms. Irish-owned companies account for 12.2% of total agency client exports. Foreign owned companies look to Ireland to locate because of our business incentives such as low tax rates. Currently, at least 85% of total exports are from foreign owned companies. Some 70% of all exports by value are from IDA assisted companies (Department of Enterprise, Trade & Innovation, 2015). However the Government of Ireland is now realising there has been too much focus on FDI in Ireland and not enough to the indigenous business and exporting sector. (National Policy Statement on Entrepreneurship in Ireland, 2014)

3.2.4 Growing Exporting in Ireland

In terms of entrepreneurs who wish to export, there is a lack of experienced people with international sales and marketing experience. Also the majority of Irish exports come from a small number of sectors, like food and drink exports which account for **50%** of indigenous Irish exports. (Irish Exporters Association, 2014). These exporters are also only exporting to a small number of export markets and their reach needs to be developed (*see figure 5*). The Government's Trade, Tourism and Investment Strategy (2010-2015) addressed these issues and set objectives to increase the value of indigenous export companies by 33% and diversify destinations of indigenous exports.

However, the government also faces barriers, as in order to ensure fair competition The World Trade Organisation (WTO) put in place state aid rules prevent the government from directly supporting any export related activities. (Department of Jobs, Enterprise and Innovation, 2014).

The government offer supports through Enterprise Ireland (EI) and Local Enterprise Offices (LEO), to companies that are undertaking market research, feasibility studies or who are participating in trade fairs. It is the goal (EI) to help Irish companies to develop products with a global appeal since 2012, with sector specific missions. These missions allow exporters to participate in peer learning and networking events to build international relationships, and develop client and customer bases.

Enterprise Ireland (EI) also have a Potential Exporters Division (PED) which is focused on developing Irish companies and helping them realize their international potential. EI also run clustering programs to encourage groups of businesses to collaborate this includes start-ups.

The Department Foreign Affairs and Trade and Embassy network work closely with Irish State agencies to promote trade, tourism and inward investment. Together they:

- Support Irish companies who want to find and access new markets and help with resolving commercial difficulties where possible
- Provide general advice on doing business locally and, through our network of contacts, pursue export and investment opportunities that will benefit Ireland
- Work to secure market access for Irish products in key sectors in high-growth and emerging markets

The Irish Food Board, known as Bord Bia, acts as a link between Irish food, drink and horticulture suppliers and existing and potential customers throughout the world. Bord Bia has a network of overseas offices in Amsterdam, Dubai Dusseldorf, London, Madrid, Milan, Moscow, New York, Paris, Shanghai and Stockholm

3.4 Conclusions from Entrepreneurs and Exporting – Ireland and Internationally

From the literature it is apparent that there are a number of barriers Irish entrepreneurial exporters face. The Government have noted the need for Irish exporters to develop products with a global appeal, however this requires training and skills which are not all covered in Enterprise Irelands reach. In recent years due to the global financial crisis finance for start-ups has been an issue. During these period we have also seen decreases in start-up and survival rate of start-ups (National Policy Statement on Entrepreneurship in Ireland , 2014). The Entrepreneurship Forum also found that many entrepreneurs didn't understand or know about government help that was available to them or they didn't understand the processes, however a start-up website tool has been developed to try overcome this issue (Department of Enterprise, Trade & Innovation, 2015), (National Policy Statement on Entrepreneurship in Ireland , 2014).

Exporting reports also concluded that while Irelands exports are growing, majority of these exports come from small number of sectors, our export research needs to be expanded but the barrier for entrepreneurs with this is developing networks in new markets and distribution. In terms of diversifying Ireland's exports through more sectors, government initiatives for R&D need to be increased. Currently Enterprise Ireland have a Research and Innovation division which works closely with the sectors and start-up teams to deliver training, supports and establish the building blocks for sectors and technologies of the future (Department of Enterprise, Trade & Innovation, 2015), (Central Statistics Office, 2015) (Central Bank of Ireland, 2015)

The Irish Exporters Association and AIB Outlook Report (2013) identified the main barriers Irish exporters faced which concur with the government policy reports and they're initiatives.

- **40%** said generating sales was a key challenge
- **36%** found getting paid on time an issue
- **23%** struggled to access funding
- **16%** found currency and exchange rates a problem
- **10%** reported issues keeping distribution and transportation costs down

- 9% had a lack of staff or skills shortage
- 8% had pressured from increased competition
- 8% reported bad debts

The overall perception is, if these barriers can be reduced entrepreneurial and exporting activity will prosper throughout the country.

3.0 Research Methodology

3.1 The Research Problem & Objectives

3.1.1 The Research Problem

The Irish government have stated the importance of entrepreneurship for job creation and to develop a sustainable economy. They have identified exporting as a key element to achieving this (Action Plan for Jobs, 2015) (National Policy Statement on Entrepreneurship in Ireland , 2014). However, in order to achieve this alternative approaches must be examined. The recent work of Sara Sarasvathy (2001, 2008, 2012, 2013) on effectuation, gives the possibility of an alternative approach to achieving entrepreneurial growth. This research seeks to understand how much of successful entrepreneurial exporting growth comes from top down policy and how much from effectuation.

This research will explore the process of entrepreneurs exporting and establish how much of their successful entry into international markets is due to government help (top down policy) and how much comes from effectuation (self-help). In doing so this study hopes to extend the work of Sara Sarasvathy and explore its potential as an alternative approach to meet policy objectives.

3.1.2 The Research Objectives

The objectives are derived from the literature and context review. The government policy documents were reviewed to determine what areas the government were trying to achieve growth, this also presented an in-depth coverage of performance in both entrepreneurship and exporting in Ireland. (Action Plan for Jobs, 2015) (Department of Enterprise, Trade & Innovation, 2015) (Department of Jobs, Enterprise and Innovation, 2015) (The National Competitiveness Council, 2015) (National Policy Statement on Entrepreneurship in Ireland , 2014)

The literature on entrepreneurship and exporting allowed me to determine the benefits, characteristic and importantly the barriers entrepreneurs face. The review of research in

effectuation identified a gap, the need for further research in this area. Saravathy *et al* (2013) suggested the potential for effectuation to be integrated into international entrepreneurship theory, along with governments identified need for growth, this provided a rationale for this study and basis for the objectives to be formed.

The title of this research is;

“Exploring Alternative Approaches to Entrepreneurial Exporting Growth – Government Intervention or ‘self-help’?”

This provides the main objective of this research, to explore if the concept of effectuation can be used to achieve entrepreneurial exporting growth, rather than just government intervention. In order to explore the given research problem it is believed that the following objectives will shed light on this topic;

Objective 1: To explore the factors which enable entrepreneurs to export; push or pull

Rationale: This objective seeks to understand the push and pull factors that led the entrepreneur to export and if there was a pre-existing support system. This objective will explore the situation that led the entrepreneur to exporting and if the entrepreneur had a predetermined goal to export or were they led by opportunity. (Shane & Venkataraman, 2000), (Bobera, Lekovic, & Berber, 2014), (Castaño, Méndez, & Galindo, 2015), (Renko, 2012), (Carland, Frank, & Carland, 1988).

Objective 2: To explore the entrepreneur’s knowledge, experience and perceptions of entrepreneurial policy in reducing barriers to entrepreneurial export activity:

Rationale: This objective is focused on establishing entrepreneur’s awareness of government supports, the effectiveness of these supports and if the government imposed any barriers on the entrepreneurial exporting process. (Action Plan for Jobs, 2015) (Central Bank of Ireland, 2015) (Department of Enterprise, Trade & Innovation, 2015) (Department of Enterprise, Trade & Innovation, 2015) (Irish Exporters Association, 2014) (The National Competitiveness Council, 2015)

Objective 3: To explore the entrepreneur's perception of what supports they feel are needed from 'grassroots level'

Rationale: This objectives seeks to explore the entrepreneur's perception of what supports they feel entrepreneurs engaging in export activity will benefit from, for example funding, networking or peer mentoring. (Rasheed, 2005), (Action Plan for Jobs, 2015), (Blanchflower & Oswald, 1998) , (Bobera, Lekovic, & Berber, 2014), (Castaño, Méndez, & Galindo, 2015), (Department of Enterprise, Trade & Innovation, 2015), (National Policy Statement on Entrepreneurship in Ireland , 2014).

Objective 4: To explore the concept of effectuation for entrepreneurial exporting activity; If effectual logic is applied when engaging in export activity and to what extent.

Rationale: This objective will explore if the concept effectuation can be extended to exporting activity and if the participants applied effectual logic (Sarasvathy, 2012) and the principles of effectuation (Sarasvathy, 2008), (Sarasvathy, 2001) (Saravathy, Kumar, York, & Bhagavatula, 2013), (Galkina, 2013).

3.2 The Research Design Process

The research design allows the researcher to create a general plan of how the proposed research question will be answered. The design is based on clear objectives derived from the research question, it should also specify the sources from which the data will be collected, how it will be collected and analysed. The research design should also include any ethical issues and constraints that may be encountered. (Saunders, *et al.* 2012)

Deciding on an appropriate research design is important, as it explains to the reader how the researcher's data was collected from the real world to explore or test the given theory. It is important that the theory drives the research design, but essentially the design is how data is transferred from the real world back to the theoretical world in order to examine theories, *figure 6* illustrates this. (Lee & Lings, 2008)

FIGURE 6: The Place of Research Design

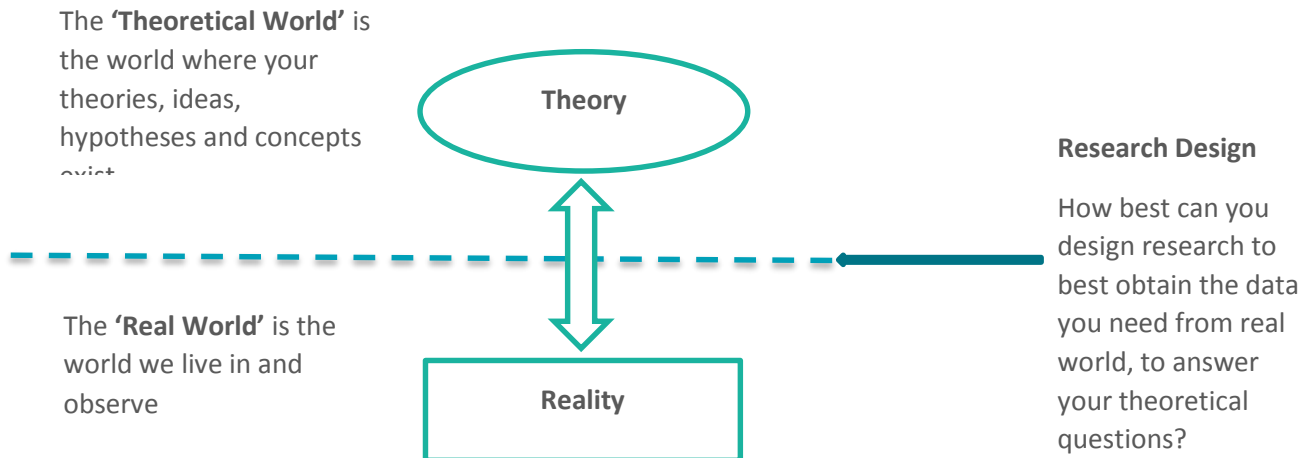


Figure 6: Lee & Lings (2008). Doing Business Research, a Guide to Theory and Practice

3.2.1 The Chosen Research Process

The chosen research process which will be followed is Saunders *et al.* (2012) ‘the research onion’. The research onion in *figure 7* contains six layers that the researcher must consider when designing their research. This process was chosen for the design as it provides the researcher as with a step by step process to ensure that a clear research structure is produced.

FIGURE 7: The research Onion

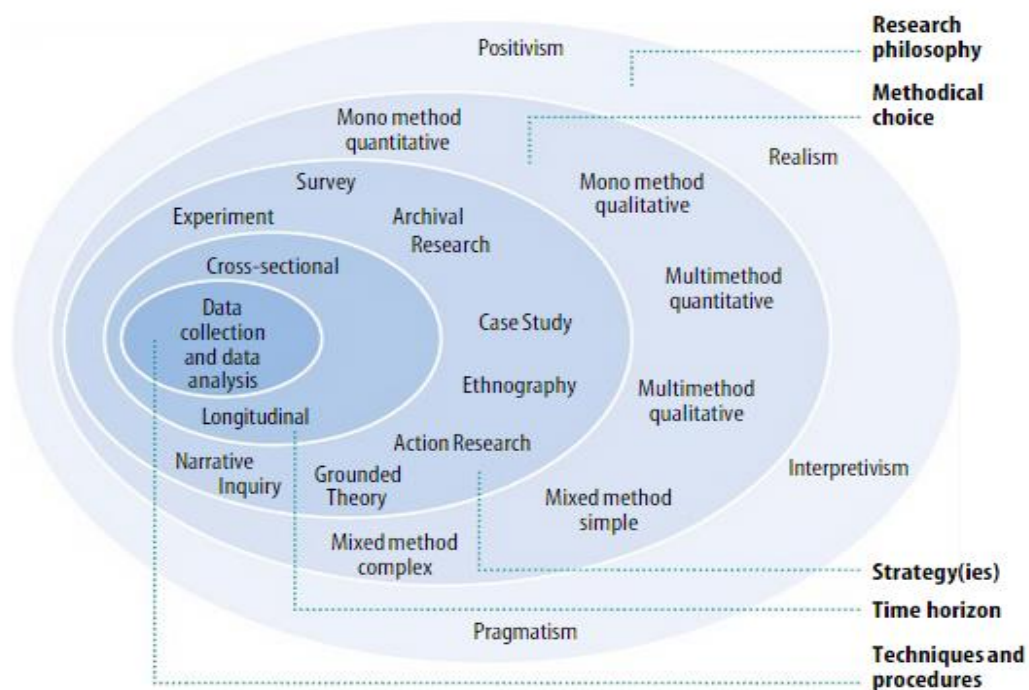


Figure 7: Saunders et al. (2012)

3.2 Research Philosophy: Interpretivist Epistemology

Research Philosophy relates to the development of knowledge and the nature of that knowledge. When choosing a research philosophy it is not a matter of which one is better but which is best suited (Saunders, Lewis, & Thornhill, 2012). The philosophical approach adopted here is epistemology, this is concerned with what constitutes acceptable knowledge in a field of study, *how do we know, what we know?* (Saunders, Lewis, & Thornhill, 2012), (Budd, 2004).

Steup (2014) definition of epistemology in the Stanford Encyclopedia of Philosophy states, epistemology is the study of knowledge and justified belief. The term epistemology is commonly described as being concerned with the creation and dissemination of knowledge in particular areas of inquiry. (Steup, 2014)

Ontology on the other hand is concerned with the nature of reality. Researchers adopting this approach ask questions about the way the world operates and the commitment to particular views. There are two aspects to ontology; objectivism and subjectivism. Which represents the position to which social entities exist and subjectivism suggests that social phenomena are created from the perceptions and actions of social actors. (Saunders, Lewis, & Thornhill, 2012)

The researcher has adopted an epistemology approach to philosophy and there are three aspects to this approach that the research must consider; positivism which sees researchers adopt the philosophical stance of a natural scientist and collect data about an observable reality and research for regularities and casual relationships in data to create law like generalisations similar to those of scientists. Realism is another aspect of epistemology which relates to a scientific enquiry. The foundation of realism is what we sense reality to be and that reality is independent in one's mind. This aspect supports the collection of data and understanding of that data. There are two forms to this understanding direct realism, where what you see is what you get and critical realism suggest that our senses deceive us, what we really see are sensations, which represent what is real. (Saunders, Lewis, & Thornhill, 2012)

The third aspect of epistemology is interpretivism this approach supports the importance of understanding humans and their interactions with each other, as well the affects these have on society. Interpretive philosophy is used when the researcher is trying to make sense of the subjective and socially constructed meanings being expressed about the phenomenon being studied. Interpretivism recognises the difference between researching objects and people. This approach suggests that's humans play particular roles in society, but how we interpret these roles is in accordance with the meaning we place on them. Interpretivist perspective is appropriate for business research as it allows the researcher to enter into the participants social world and understand their view point. However, it is crucial for the researcher to adopt an empathic stance (Saunders, Lewis, & Thornhill, 2012).

3.2.1 Rationale for Interpretivist Epistemology

Therefore, an interpretivist epistemology has been adopted as this is used when trying to understand subjective meanings and social phenomena. The focus in this approach is on the details of the situation, the reality behind these details and the subjective meaning which motivates the actions. (Saunders, Lewis, & Thornhill, 2012) This study is focusing on the details of the entrepreneur's decision making process when engaging in exporting activity

3.3 Research Approach

An inductive approach is being used for this study as known premises are being used to generate untested results. Meaning, effectuation and government intervention are being tested to see the relationship to entrepreneurial exporting activity. The data collected is being used to explore a phenomenon, which will identify themes for analysis. This is intended to build on existing theory. (Saunders, Lewis, & Thornhill, 2012)

3.4 Research Methodology; Qualitative

When creating a research design the first choice the researcher must make is which methodology to use and whether their research will follow a mono method by choosing either qualitative or quantitative or a multiple methods research design. All elements to the research design must be coherent with the methodological choice. (Saunders, Lewis, & Thornhill, 2012)

It was determined that qualitative data is the best approach from this research. Lee and Lings (2008) explain qualitative data with the following key ideas;

- Qualitative data is data which can be transformed into words rather than numbers
- This data is rich, and analysis can be simplified by reducing it to key ideas and concepts
- The analysis of qualitative data can be described as a process of extracting and presenting these key ideas, themes and concepts in various ways.
- The methods used for this analysis are coding, data displaying, and drawing conclusions.

Qualitative research studies participants' meanings and the relationships between them, using a variety of data collection techniques and analytical procedures, to develop a conceptual framework. Data collection is non-standardised as the research process may alter and emerge as it progresses. The quality of the research produced is dependent on the researcher's ability to engage with the participants in an appropriate manner in order to gain access to their cognitive data. (Saunders, Lewis, & Thornhill, 2012)

3.4.1 Rationale for Choosing Qualitative

Given the nature of this research if was decided that a qualitative approach would be best suited. Qualitative research is associated with an interpretivist philosophy, it is so because the researcher seeks to make sense of the subjective and socially constructed meanings being expressed.

Perry, Chandler and Markova (2011) review of Sarasvathy's Entrepreneurial Effectuation, concluded that based on the existing literature the study of effectuation is at a nascent/intermediate stage and more research needs to be conducted in this area. Also little is known about the possibility of effectuation as an alternative approach to meet policy objectives.

Bearing this in mind, qualitative approach was determined best to answer this question given the nascent/intermediate stage of the current phenomena of effectuation and as the researcher is exploring the possibility for this concept to be used as an alternative approach to achieving indigenous entrepreneurial export growth.

This will involve semi structured interviews, which will produce a large quantity of rich text data of descriptions from the interviewees. Qualitative is the best approach for this type of data, as opposed to quantitative which is used for more numerical or statistical data. (Saunders, Lewis, & Thornhill, 2012)

3.5 Research Strategy

The researcher must also identify the nature of their research design. The research should follow an exploratory, descriptive or explanatory purpose, in some cases a combination of these will be needed. Which one of these the researcher follows will be dependent on the way in which the research question is asked. (Saunders, Lewis, & Thornhill, 2012)

This research is in the form of an exploratory study, as little is known about the possibility of effectuation to be used as an alternative approach to policy objectives. An exploratory study allows the researcher to ask open questions and gain insights into the topic, while also having the benefit of being flexible and adaptable to change. (Saunders, Lewis, & Thornhill, 2012).

3.6 Time Horizon: Cross Sectional

The time horizon for this study is cross-sectional as the data from the interviews is being collected just once. This is sufficient for this study as the data needed to answer this research question is based on the interviewees past and current experiences. (Sekaran & Bougie, 2010)

3.7 Data Collection Method

It was determined that qualitative data would provide the best answer for this question and semi-structured interviews would be the most suitable technique given the nature of the topic. In semi-structured interviews the researcher will have a list topics to be covered and possibly some key questions, although their use may vary in each interview. This allows the interviewer to adapt the interview structure as needed. The order of the questions may also vary depending on the flow of the questions as each interviewee may differ in response.

It is important to remember that additional questions may be required as the interview develops and the research question is explored. The data for these types of interviews will be captured using audio-recording and note taking. (Saunders, Lewis, & Thornhill, 2012).

3.7.1 Rationale for Semi- Structured

It was determined that semi-structured interviews would be the best for this study, as the entrepreneurs being interviewed would be discussing their experiences and events, which would differ in each interview. Saunders *et al.* (2012) found that managers are more likely to agree to interviews when the topic is seen to be interesting to their current work. The interview provides them with a chance to voice their opinions without having to write anything down. Potential research participants may be reluctant to answer online questionnaire or provide detailed answers that take time to write down. Therefore, interviews may achieve more and better responses.

It is best to use semi-structured interviews in the following circumstances;

- Where there are a larger number of questions to be answered;
- Where the questions are either complex or open-ended;
- Where the order and logic of questioning may need to be varied

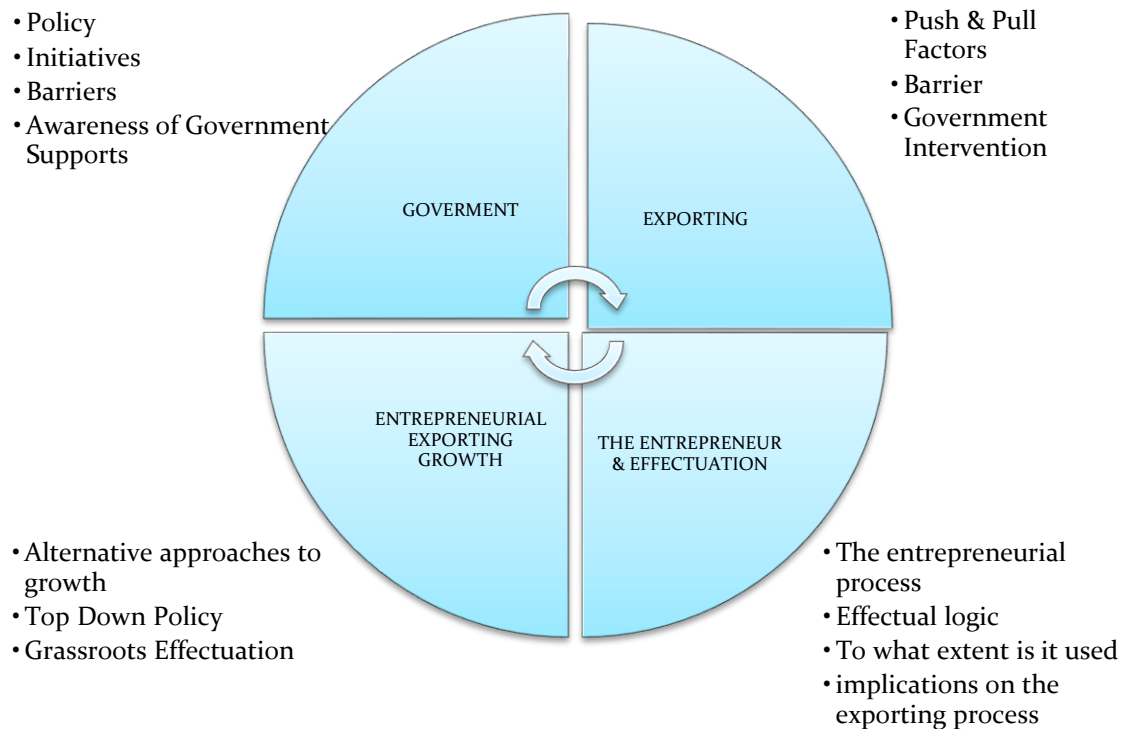
The researcher identified key topics to cover and a selection of open ended questions, which related to the research objectives. The open ended questions and free following structure allow the participants to discuss some particular events and the researcher to navigate the interview accordingly. The interviews varied in structure and length as the participants vary from a variety of industries with very different experience and views on the topic.

3.8.3 Interview Theme Sheet

The interview theme sheet was developed to answer the research question and fulfil the objectives. As Thematic Analysis is being used, key topics and research objectives were identified from the literature, so that the data collected could be used to find common themes. The research objectives (identified in 3.1.2) lead to the development of the Interview theme sheet, however the given the nature of the research and the semi-structured format to the interviews these were just used as guides. The key topics (see figure 8) gave the research focus points and provided structure. The key topics emerged from the literature. Specific questions were also used in some instances, and to bring the interviewee back on topic.

The interview theme sheet was adapted after the first interview after initial review of the data collected. The theme sheet contains topics to cover and guided questions for the researcher. However, these were adapted in the interview depending on the flow of discussion.

FIGURE 8: Key Topics of Research



Interview Theme Sheet

Recording Begins after introductions and explanations

- Objective 1: To explore factors which enable entrepreneurs to export; Push or Pull

Could you begin by giving me a brief overview of your business and in particular, the exporting aspect?

Push or pull factors that led to entrepreneurial and exporting activity

- Why
- Help in the process

- Knowledge of help

(Here explore if effectual logic was being applied – objective 4)

- **Objective 2:** To explore the entrepreneur's knowledge, experience and perceptions of government intervention in reducing barriers to entrepreneurial export activity:

Government;

- Did they receive any assistance?
- How did they find out about the schemes?
- What was the process and criteria they needed to meet?
- Were there any barriers imposed by government procedures?
- Perceptions of government intervention?

- **Objective 3:** To explore the entrepreneur's perception of what supports they feel are needed from 'grassroots level'

Main obstacles when exporting?

- Probe the interviewee for discussions about the exporting process
- What does the interviewee feel entrepreneurs needs
- Discuss their perceptions of 'grassroots level' supports

- **Objective 4:** To explore the concept of effectuation for entrepreneurial exporting activity; if effectual logic is applied when engaging in export activity and to what extent.
 - Throughout the interview keep in mind the principles of effectuation and probe for more detail, in areas it may have been applied

3.7.4 Sampling

Sampling provides an alternative when it is not practical to survey the entire population or it is not feasible due to budget or time constraints. For this research non-probability sampling was used as this is an exploratory study and it is focusing on a small number of samples, which have been selected for a particular purpose (Saunders *et al.* 2012).

When using non-probability sampling and semi structured interviews it is suggested that at least 5 samples are required. Based on Saunders *et al.* (2012) descriptions of sampling techniques the sample is a purposive group as the research used best judgment to select case that will best answer the research question. The technique used is theoretical sampling, as the sample selection have been chosen based on developing categories and emerging theory based upon simultaneous collection, coding and analysis of data.

3.7.5 The Selected Participants

The researcher selected potential interviewees deemed most suitable to provide an insight into the topic being explored. It was decided that the participants should be entrepreneurs engaging in exporting activity from a variety of industries. Traditional access was used and the interviews were contacted via phone and email and informed prior to the interview of the nature and propose of the research. They were also informed of their contribution to the research and how it would benefit the study, this helped to build familiarity with the interviewee.

However, it was hard to gain physical access as an external researcher, as many potential interviewee did not respond or were not interested in participating. After the initial contact for the participants that agreed, the face-to-face interviews were scheduled. The access that was granted by the participants was cognitive access, this infers that the interviewee is allowing the researcher access to the data that you need to answer your research question. (Saunders, Lewis, & Thornhill, 2012) The participants were found through internet searches, existing contacts and Enterprise Ireland.

TABLE 5: Interview Participants

Interviewee	Role within the Company	Company	Industry
Interviewee 1	Founding Director	Connexus Communications	Telecommunications
Interviewee 2	Owner	Co-workinn & IT Consultancy	Co-Working community for entrepreneurs and IT
Interviewee 3	Founding Director	Open Wifi & Other Businesses	Retail Technology
Interviewee 4	Founding Director	Open Wifi & Other Businesses	Retail Technology
Interview 5	Owner	Dwan Fishing	Fishing

Interviewees 3 and 4 were found through Enterprise Ireland. They both had vast amount of business knowledge and previous business venture experience, which they drew upon in the interview. They also requested to be interviewed together due to time constraints

3.8 Data Analysis Method

This is an exploratory study and no specific hypotheses were stated for this research. Instead research objectives and sub-objectives were derived from the literature. The interview structure and questions are related to the topics and objectives, the questions chosen are intended to shed light on the objectives of this research and answer the research question.

Each interview was analysed individually according to the research objectives. The first interview was analysed in detail for possible key themes and these were discussed at following interviews. The method used to analyse the data was thematic analysis. This involved initial coding, which identified recurring key words and allowed the researcher to identify the themes and sub-themes presenting. A theme captures something important about the data in relation to the research question and represents some level of patterned response or meaning within the data set (Braun & Clarke, 2006).

The next step is focused coding which involves reanalysing your data to ensure the validity of the codes and that they were free of bias, the data was re-read and checked multiple times. An inductive approach was used in the analyses, Yin (2009) states the importance of examining the data as the research progresses to identify emerging themes.

The tool used to analyse the data is Nvivo. This is a qualitative analysis computer software package which is used for rich text-based data. The interviews were audio-recorded and carefully transcribed to report what the interviewees said and notes were made to describe how they said it e.g. tone that was used. Each interview was transcribed within hours of it being recorded.

3.8.1 Thematic Analysis

It was also determined that thematic analysis would be the best approach as it is flexible and it allows the researcher to identify the key themes being expressed. Thematic analysis comprises of a bit of everything, grounded theory, positivism, interpretivism, and phenomenology, all synthesized into one methodological framework. Thematic analysis

allows the research to examine themes from textual data in a way that is transparent and credible. (Quest, McQueen, & Namey, 2012)

Braun and Clarke (2006) define thematic analysis as being concerned with:

'Identifying, analysing and reporting patterns (themes) within data. It minimally organises and describes your data set in (rich) detail. However, frequently it goes further than this, and interprets various aspects of the research topic.'

When using thematic analysis it is vital that careful transcription is used. The researcher must become familiar with the data, generate initial codes and search for themes among within the codes. The themes must then be reviewed so that they are coherent, consistent and distinctive. From this a report for discussion can then be produced.

3.8.2 Coding

When using thematic analysis the researcher generates initial codes and then reviews them to abstract themes from the codes. The researcher used Nvivo computer software, Nvivo coding uses words or short phrases from the interviewees own language in the data record as codes in a descriptive coding form. NVivo coding is appropriate for all qualitative studies and especially researchers learning how to code (Miles, Hubermann, & Saldana, 2014).

3.9 Ethical Considerations

'We do not act rightly because we have virtue or excellence, but rather we have those because we have acted rightly' –Aristotle

Ethical considerations should emerge at the beginning of the research and will consider all aspect of the project including the interviews, how the data is analysed and how the report is formed. The researcher will be influenced by what is considered to be ethical social norms. There are two main philosophical approaches to ethical practices. One being a deontological view, where there are no exceptions to operate outside the rules. The other

being teleological view where actions that break rules can be justified when the benefits of then action outweigh the consequences. (Saunders, Lewis, & Thornhill, 2012)

The ethical view adopted for this research would be more of a deontological view as the rules and guidelines of Dublin Institute of Technology have been followed for researching. Also in terms of the researchers behaviour while conducting interviews and contacting participants social norms have been followed.

The Dublin Institute of Technology's Research Ethics Committee publish documents as guidelines for students when research, these were followed throughout the study.

4.0 Presentation of the Findings and Analysis

4.1 Analysis Overview

As previously mentioned in chapter three thematic analysis was used to explore the data collected. The transcribed interviews were coded using Nvivo, which allowed the researcher to code the data into nodes, then analyse it to establish the themes presenting. The data was analysed with the objectives at the forefront of the researcher mind, thus the findings have been categories under the researchers objectives.

To begin the researcher read all the interview transcripts as a whole, initially the first review presented some themes to be explored under the given objectives. Firstly noted was the resounding responses and feelings of the interviewees, that you are very much on your own as an entrepreneur, Even if you receive help you much seek this help out yourself . Secondly the initial readings presented the feeling of hardship, that the entrepreneur struggles to become successful. It was also very apparent that the interviewees had many commonalities; they agreed unknowingly on many issues and their thought processes in setting up businesses and exporting presented many common elements. This initial finding justified need to explore if effectual logic is being applied in exporting activity.

The Table 6: Compilation of the Information Obtained – Themes Presenting

Objectives	1	2	3	4
Themes Presenting	Opportunity	Negative Perceptions of Government Intervention	Identified Need for Support	Effectual Logic
	Growth	Lack of Knowledge of Government Intervention	Identified need for alternative supports	
	Need to Earn a Living	Barriers		

4.2 The Factors which enable entrepreneurs to export; Push or Pull factors

Objective one was to explore the factors which enable entrepreneurs to export. This objective is exploring how entrepreneurs are pushed or pulled into exporting. There were several themes that emerged from the respondents. The prominent themes showed that majority of entrepreneurs cite many common factors as reasons for engaging in entrepreneurial and exporting activity.

The opportunity to export was a common theme among the respondent's. Interviewee 5 stated that the reason he began fishing was because of his father, who gave him the opportunity to learn the trade and his first boat. Then opportunity to export presented itself through international distributors when he saw what other fishermen were doing. Interviewee 5 stated;

“Yes, well I started fishing with my father and that's how I got into the business, it's been in the family for generations. Originally we would have been a lot smaller you know just supplying to local fish shops and in the city, we also sold fish out of the family home.”

And later continued;

“Well the demand was there and I saw what people were doing in other fishing villages. I wanted to get into the export market I needed volume, they aren't into small amounts which meant a bigger.”

Interviewee 1 also expressed opportunity as a pull factor for exporting, he noted that their suppliers gave distribution rights for the North of Ireland and UK and the proximity of these markets also presented an opportunity. Interviewee one expressed this by saying;

“First reason was well obviously we're on the island of Ireland and we were initially operating in the 26 counties and the counties in Northern Ireland represented an opportunity to increase our market and grow our business.”

And continued;

“The primary driver was that the manufacturer Ackermann said that we could supply into the UK market.”

Interviewee 2 also describes his reasons for engaging in export activity as an opportunity that presented itself, the interviewee describes how customers sought him out;

“For me the opportunity comes to me myself. I’m only advertising locally so if people come to me it’s out of my control if they are based overseas or in Ireland. At the moment I have the UK, Sweden and Denmark. I also have potential people from Poland and others that are looking for space to work in Ireland.”

The notion that entrepreneurs are concerned with opportunities is nothing new, researchers such as Shane and Venkataraman (2000) and Peterson *et al.* (1986) entrepreneurship as being concerned with opportunities that lead to these new ventures and describe them as opportunists.

The analyses of this research presented more than just one pull factor, another theme that emerged was the need for growth, the reason why these entrepreneurs perused these opportunities to export. Interviewee 1 expressed this by stating;

“You know the need to expand, no business can stay static it’s bad. Staying fixed on the same profit levels turnover is comfortable, it nice but it’s not motivating it’s not challenging. You need to be growing the business”

Interviewee 1 describes his need for growth as the process of growing his business to the next level, to achieve more, to challenge oneself and the business. Whereas Interviewee 5 has a bleaker perception of growth, describing it as the need to get the business to a viable stage;

“In order to make a decent living I had to get bigger you know, especially with all the new regulations and restrictions and now all the foreign competition. The big boats come, they are taking the stock when they come in.”

Interviewee 3 had a different perspective he was very clear that he never intended to become an entrepreneur or an exporting, having seen the struggling life his entrepreneurial father led. This was something he ended up in when he lost his long term secure job. Interviewee explains:

“No, I never wanted to work for myself I made a huge mistake. My father was an entrepreneur he suffered a horrific hard going life where he was working 20 hours a day. We had a farm, we had a pub and he was an auctioneer. I looked at the way he was living and he got cancer at 47 and it killed him in 10 years and I reckoned well that never what I want to do. So I went and got the good secure job and I was earning good money. I got myself embroiled in something and before I knew it I was out on my own without any planning and the last 20 years have been a horror show of hell.”

The interviewee here shows that he didn’t plan or intend to set up his business, but rather he did it because he became unemployed. Gray et al. (2006) states that some factors that force individuals into entrepreneurship can have a negative effect and lead to them being unsuccessful. However, this need for employment or to earn a living presents another theme as it is also reflected, by interviewee 5 where referring to his reasons for growth when stating;

“In order to make a decent living I had to get bigger you know”

Conclusions

In summation it is apparent that opportunity, growth and the need to earn a living are common themes among the factors that led the interviewees to export. The most prominent theme was opportunity, the interviewees were presented with or sought out an opportunity that enabled them to export. Furthermore, when explored on another level the reasons the interviewees pursued these opportunities varied somewhat. The more experienced or established interviewees (particularly 1 and 2) didn’t see exporting as a necessity, they described it as growing, challenging themselves and even an opportunity that they hadn’t sought out. Whereas others (3, 4 & 5) portray this growth with exporting activity as vital. This presents another theme, the need to earn a living. This need to earn a sustainable living pushed the interviewee to pursue opportunities for growth.

4.3 Explore the entrepreneur's knowledge, experience and perceptions of government intervention in reducing barriers to entrepreneurial export activity

The goal of objective two was to explore the extent to which entrepreneurs are aided by government interventions, as well as their knowledge and perceptions of government interventions.

A common theme under this objective was the negative perceptions of government interventions. Interviewees expressed feelings of being on their own rather than being supported by the government. Interviewee 1 spoke about the setting up of their business and the exporting process and how they didn't receive or know of any available help;

"I suppose given that we were only getting into the export market and we were already established in the internal market, I was not really aware of any supports that would be available or for a company like ourselves."

And continued to say;

"I was not aware, or readily aware of government resources that were available to me I felt certainly that I would have to go and look for them and given the kind of market that were in the specialist nature of it I did not see or could not identify readily any sort of resource that would be available to me."

This belief that there is no available help or that they don't meet the criteria suggests a lack of knowledge or awareness of government supports, which leads to a negative perceptions of government intervention. Interviewee 2 discussed various interactions he had with LEO's and government schemes but still held a negative perception of government;

"I didn't apply cause I know there is a lot involved with putting together business plans and actually presenting them and so on, to actually receive funding. I have more to do with my time.

I'd say there is support but I'd say the funds are limited. To be honest I don't know enough, I haven't applied I've heard of various schemes but the application form is 10 pages long and I put it aside"

Continues;

"Now I do remember I applied early on to the local enterprise board, had a competition for business and people were put forward business plan. I was encouraged to do so and I did. Now I didn't even get to the first round."

Interviewee 2 also expressed further feelings that's the government aren't really concerned with the individual entrepreneur;

"My feelings are that they do give it a lot of lip service. They have LEO's in place but I think that for them the main focus is to get the FDI, get the large multinationals in because that ticks a lot of boxes very quickly and that one man start-ups don't."

This negative perception is not held by the government who believe they have and are continuing to make great progress, stated in the government strategy documents such as The National Policy Statement on Entrepreneurship (2014) and Action Plan for Jobs (2015).

Furthermore, Interviewee 5 not only had a negative perception of government help but also referred to barriers they now faced as a result of government regulation. He emphasised his negative perceptions of the government by stressing his discontent with how fishermen are treated in comparison farmers. He states, referring to farming subsidies;

"Sure we would all like a bit of help. Would be great to be treated like the farmers."

Then continues to describe the barriers fisherman now face which prevent them starting and growing business as a result of restrictions and seasonal work.

"Well there are government restrictions, they banned fishing for salmon which limits me. So I had to then I had to go fishing out to sea to get other white fish I needed a bigger boat for that. Also if I catch female lobsters I have to put them back into the water to protect the stocks, so this places restrictions. We also have quota for different fish and the quota

is dependent on the size of the boat. Our boats also get checked by the Fishery Protection Offices and we can be boarded at any time, this is to make sure we are following the rules. Our nets have to be a certain size and type. If you get checked its time consuming you know. I also have to be registered and have a fishing licence, with a big fee. Now if I want a second boat I'll have to get another licence."

These barriers formed a theme, other interviewees described barriers that were either imposed by government or they would need the government help to overcome.

Interviewees3 and 4 cited the repercussions of a failed business in Ireland as a barrier and how it's a risk that majority of individuals just can't afford to take.

Interviewee 3;

"In Ireland failure in business is not good news. We don't have the American society where you are aloud fail. You are stuck with a very bad reputation, you didn't pay your bills so the bank won't give you any more money, the boys won't trust you anymore. Failure in Ireland is seen as you are a failure. In other countries its, at least he's trying and he has a history of trying things. That's the rules."

And interviewee 3 continued to explain how it can damage person professionally and personally;

"Sure you're gone, you can't risk it. Now people know you will lose your house. If you are a certain age and you have family, wife she's not working or not earning enough. Look at the financial pressure that brings, you are probably looking at the end of a relationship. Your personal stuff is affected, business stuff is and financially you're bollixed. That's a pretty decent reason not to start, or you are held back. I understand people it's a frightening area to get into."

Interview 4 also spoke about a previous failed business and the struggles he faced to get back up and running with Open Wi-Fi;

“You know people need to support people, Ireland is bad for that they are nearly happy to see you fail. I had a business that failed and the slagging I got, and in a small town. It’s hard to pick yourself back up.”

Entrepreneurs experience all kinds of barriers and the interviewee emphasised these. Interview 1 spoke of a barrier he faced when exporting and how if he had government assistance they would have greater potential in exporting markets.

“We struggled with the issue of compliance with equipment that means where equipment meets specifications. The Ackermann product that we were supplying would meet a European specification, the specifications in the North of Ireland was very much based on UK spec.”

And continued to explain how this was a barrier

“I think the main barrier I have indemnified is this one of compliance. How I could go about getting the products that we have to offer to meet the products spec in the UK which is different to the European regime. In order to undergo that process it would involve submitting products for approval and would require financial resources.”

Conclusions

When exploring this objective it became apparent that that majority of participants held negative perceptions of government intervention. However, when examined this also produced another theme, a lack of knowledge of government intervention.

With interviewee 1 stating;

“I was not aware, readily aware”

And interviewee 2 stating;

“To be honest I don’t know enough”.

These negative perceptions of government and lack of knowledge of government intervention can have negative effects on entrepreneurial exporting growth. Schumpeter (1934) refers to the social climate and the importance institutional quality, Castaño *et al.*

(2015) also refers to the importance of institutional quality and need for the government to create and encourage institutions that have a positive influence, so that entrepreneurship can prosper. Nissan *et al.* (2012) also points out that institutions portray the quality of the government and set out behavioural rules entrepreneurs.

This being said, the themes presented suggest a negative perception and lack of knowledge of interventions, which leads to a poor perception of government and the institutions that support entrepreneurs. If these negative perceptions became embedded in our entrepreneurial society. They could affect the social climate and culture that is needed for entrepreneurial exporting growth to prosper.

Another theme that formed was the barriers that interviewees faced, either as a result of government restrictions or barriers that entrepreneur couldn't overcome without government assistance. Interview 5 spoke about barriers as a result of government regulation on fishing. Khandana and Nili (2014) states the negative outcomes of government intervention. Making the example of higher minimum wage, that can actually lead to higher unemployment. This is reflected in interviewee 5 experiences of the changes in the fishing industry, while the regulations have positive outcomes they can also have negative repercussions.

4.4 Explore the entrepreneur's perception of what supports they feel is needed from a 'grassroots level'

The aim of this objective was to explore what supports entrepreneurs feel are needed, from their perspective. This is explored by drawing on their personal experience and knowledge of the entrepreneurial exporting environment. A common theme under this objective was an identified need for support. All participants recognised that entrepreneurs and exports alike need support especially in the initial years. The interviewees were asked what they felt entrepreneurs exporting would benefit from and what they would recommend. All participants acknowledged the importance of cash flow and funds. Interviewee 3 made the point that if had not received the cash injection for Enterprise Ireland he wouldn't be here today.

However, they did not feel this way the only support entrepreneurs need, they suggested other factors that are vital to an exporting becoming successful. This suggested the data be reanalysed and a theme that emerged was identified need for alternative supports. This need for alternative supports refers to supports that don't involve funding, such a training and mainly transferable skills that experienced of successful entrepreneurs hold.

Interviewee 2 spoke about the struggles of entrepreneurs learning sales skill and pointed out that selling as a start-up entrepreneur is very different to a businessman selling for a brand. He felt that sales was biggest area entrepreneurs need help in. He stated;

“An experienced sales person has a different experience selling, you have to walk in and sell and convince people when you've only been around six months and that you'll be here in six months. There is a difference to selling as an entrepreneur and start-up.”

Interviewee 2 also made the point that a lot of entrepreneur are perhaps engineers or like himself IT specialist. Meaning that that come from background with little or no business and sales experience. For that reason he felt that sales was the biggest area for training that entrepreneurs exporting would benefit from;

“Yes I think sales is the biggest area”

The National Policy Statement on Entrepreneurship (2014) referred to entrepreneurs exporting and found that there was a lack of entrepreneurs with international business and sales experience or skills. Interviewee 1 also felt that entrepreneurs aren't aware of the initial struggles of getting orders. Stating;

“Well in the initial days it's all about getting cash in you know, so making sales and getting orders. This is what a lot of people forget about.”

The Irish Exporters Association found generating sales to be the biggest challenges for exporters (Irish Exporters Association , 2014). Which is reflected in the findings of this research.

Interviewee 3 also commented on what he believed entrepreneurs would benefit from most, suggesting;

“Reality, a dose of reality is the best thing a fella can get”

Here interviewee 3 was referring to the struggles of the first year’s business. He made the point that a lot of people going into a business “eyes wide shut” and are not prepared or experienced enough to make it though.

Conclusions

The researcher explored this objective through the entrepreneurs perspective to determine what entrepreneurs need from a ‘grassroots’ level perspective and found that entrepreneurs resoundingly acknowledged the need for support. However, when explored further the presented the theme identified alternative need for support. The researcher discovered that while the entrepreneurs did acknowledge the importance of funding. They also suggested it was most need if an entrepreneur needs to buy a new fleet of trucks for distribution or if the organic growth of a company needs to be speeded up.

However, it was also acknowledged that funding is not solely what entrepreneurs exporting were dependant on or all needed. Interviewee 1 expressed this from their own experience;

“Because we were starting on small scale we were much more inclined to do it ourselves and because we had the resources and experience.”

Interviewee one didn’t need funding however the business did need assistance in the form of product compliance. From this need for alternative supports emerged, prominently within this was the need for entrepreneurial sales experience, which The National Policy Statement on Entrepreneurship (2014) and Irish Exporters Association have acknowledged as a key challenge for entrepreneurial exporters.

4.5 To explore the concept of effectuation for entrepreneurial exporting activity; if effectual logic is applied when engaging in export activity and to what extent.

The purpose of this objective was to explore the possibility of effectuation as ‘grassroots’ level mechanism to contribute to exporting growth. It has been suggested that effectuation should be integrated into international entrepreneurship theory (Sarasvathy *et al.* 2008) and this objective explored potential of this and to what extent if any entrepreneurs apply effectual logic when engaging in export activity (Sarasvathy, 2012)(Sarasvathy, 2008), (Sarasvathy, 2001) (Saravathy, Kumar, York, & Bhagavatula, 2013), (Galkina, 2013).

The principle of effectual logic refers to means-driven actions rather than goal driven. The emphasis here is on creating something new with existing means rather than discovering new ways to achieve a given goal. This principle was clearly evident in the participant’s decisions to start exporting. The theme Opportunity in objective one presents elements of effectuation. The entrepreneurs used means available to engaging in exporting activity. Interviewee 1 displayed this when he spoke about his reason for exporting. He utilized what was available to him, the North of Ireland and UK market and distribution rights.

Interviewee 5 also displayed effectuation when we spoke about his reasons for becoming a fisherman and then exporting. He was living by the sea, his father taught him the trade and gave him his first boat. Furthermore he used distributors to begin exporting. All these show elements of effectuation. Interview 1 used what was available to him to earn a living which was another theme. This suggest that effectuation was present in the themes of opportunity and need to earn a living.

It was evident to the researcher that effectual logic was applied by the participants when engaging in export activity. Throughout the interviews the participants displayed effectual logic in their thought processes. Interviewee 1 displayed this when he spoke about the next stage of growth for his business;

“The real opportunities would be the offering of our services associated with those products in countries like Asia am Asia minor and the middle-east who has fast growing healthcare infrastructure at hand. The concept of being able to provide expertise, project

management and even access to equipment would be an option in some of these countries.”

This shows the interviewee is utilising the skill (means) available to him and reaching new markets. Rather than deciding on exporting or certain country and having to change or adapt his services accordingly.

Interviewee 3 & 4 also displayed strong evidence of effectual logic when discussing how they set up their exporting business. Interviewee 3 said he needed a new opportunity and spoke about how picking a business plan that will be successful is important. He drew on Ireland’s reputation for technology abroad. Suggesting that he used Ireland’s reputation (a means) to create a strong business plan. The when he went to Enterprise Ireland, he needed funding and he knew this would be a business that they would work with. Whereas if he hadn’t been applying effectual logic he would just set up any old business, not utilising what is around to make the process easier and more likely to be successful.

Conclusions

In summation it is evident that the interviewees applied effectual logic at many stages of their business process and also on many levels. The researcher suggests that effectual logic is evident through the themes. It is also apparent that participants used effectual logic to help them make smart decisions. This effectual logic saw them pursue opportunities, earn a living, overcome barriers and identify supports.

Taking the participants own accounts, it is apparent that is effectual logic helped them achieve success in exporting. The participants were from diverse backgrounds with very different business experiences and yet effectual logic was evident in all their discussions. They used what was available to them (means) to engaging in exporting activity and achieve a level of success.

5.0 Conclusions and Recommendations

5.1 Overall Conclusions

This research contributes to entrepreneurship and business theory as it extends the context of effectuation and examines it from an alternative perspective. Objective one produced a theme of opportunity, suggesting that entrepreneurs acted on an opportunity to engage in exporting activity. However, Objective 2 presented a theme of negative perceptions of government intervention. These negative perceptions can fester resulting in poor perception of government intervention. Galor and Zeira, (1993), and Bourguignon and Verdier, (2000) suggest that a poor perception of government and institutions can also lead to negative perceptions of opportunity, which would be a de-actor for entrepreneurial exporting growth, given the findings of objective one.

Another theme was barriers entrepreneurs face when engaging in exporting activity. While the government can work to reduce barriers the entrepreneur cannot be dependent on government intervention to make them successful. Mei (2005); Campbell and Mitchell (2012) refer to the negative effects of government intervention and suggest the economy need to be allowed to self-adjust.

These barriers then brought foreword the supports that entrepreneurs feel is needed from their perceptive, ‘grassroots’ level. The interviewees acknowledged the importance of funding but not as the only important support. This presented the theme, identified need for alternative supports. Generating sales was acknowledged as a major challenge and also The National Policy Statement on Entrepreneurship (2014) and The Irish Exporters Association. It was also mentioned that entrepreneurial selling is a different technique to business selling for a known brand. This suggests that successful entrepreneurs could in fact be used to gain knowledge on ‘the entrepreneurial selling processes’ and teach this technique. Addressing the need for more experienced entrepreneurs in international selling (National Policy Statement on Entrepreneurship in Ireland , 2014)

Given that effectual logic was present in the exporter’s decision process, this would suggest that their knowledge and skills could in fact be used to help train entrepreneurs

and help them to select create more viable business plans. It was evident that the interviewees used effectual logic in selecting opportunities and in making decisions that helped make their ventures successful.

5.2 Recommendations

The researcher would first recommend further study in this area and testing of larger sample of the population to further validate if effectual logic is present and to what extent. Further study would determine the potential of effectual logic and its transferability as a teachable skill.

It is widely acknowledged in the exporting literature that exporting increases productivity and survival rates(Albornoz *et al.* 2012; Klein *et al.* 2013; Greenaway *et al.* 2007; Putniņš, 2013; Greenaway & Kneller, 2007; Biesebroeck,2005). The researcher recommends further study to explore the potential of encouraging struggling firms to engage in exporting activity as a means to revive their business. Furthermore, exploring the potential of effectual logic to be thought as a facilitator for this.

Finally the research recommends a comparison study between Denmark and Ireland. Denmark have a corporate tax rate of 23.5% and Ireland have corporate tax rate of 12.5%, yet Denmark's entrepreneurial ranking (GEDI) is 6th in the world, whereas Ireland's is 17th. Furthermore Ireland's exports are only marginly higher than Denmark. Which would suggest that Ireland have great potential to increase our indigenous exports and we could look to Denmark for example. A comparison study is recommended.

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Appendix

Appendix A – Interview Request

Sending requests for this interview varied. My interviewee were contact via email, phone and face-to-face.

I first contacted agencies such as Enterprise Ireland, Startup Ireland and Coworkinn. I sent them the email request below:

Dear Sir/Madam,

I am currently a student in DIT completing my Masters in International Business.

The title of my thesis is Does Government Intervention in Irish Entrepreneurial export activity support real success? – From the perspective of micro startups

I am looking to interview entrepreneurs who export employee less than 10 people and who have been operating for 5 or less years (the proportion of turnover being exported doesnt matter just that they are engaging in export activity. I was hoping you might be able to recommend some entrepreneurs to interview.

Any help or direction you can give would be very much appreciated.

Kind Regards,

Norah Cussen

Interivewee 2 from Coworkinn was very helpful and posted in their newsletter that I was looking for exporters to interview, below is a cutting from their newsletter.

Closer to home Norah Cussen (DIT MSc in International Business) would like to interview small businesses that export. It doesn't matter what percentage of your turnover is made up of exports, if you have sent one invoice overseas this year, then you qualify. She is researching government intervention in Entrepreneurial export activity. You can reach her at d14123791@mydit.ie or through me.

Appendix B – Interview Transcripts

Interview one

Connexus Communications Ltd – Founder, Director

Interviewer: Hi, so I have explain to you the purpose of this interview and what it will be used for so if you just want begin by telling me a little bit about what you export. I'm aware you set up your company in Ireland and exporting was something you went into in recent years.

Interviewee: Well Connexus Communications are in the on-site communications business so that really means that the main business for us is healthcare. So primarily we are in the business of supply on-site healthcare communication systems such as: cardiac arrest systems, nurse call systems, staff protection systems to hospitals. This is primary in Ireland, however over the years we have started to export our services and some off our goods to the 6 counties in Northern Ireland and UK.

Interviewer: So after you set up the company you then moved into exporting. What made you decide to begin exporting? Did you have any outside influence or help?

Interviewee: Well there was a number of reasons. There was a number of Interviews. First reason was well obviously were on the island of Ireland and we were initially operating in the 26 counties and the counties in Northern Ireland represented an opportunities to increase our market and grow our business. We had the rights from our suppliers to sell into that jurisdiction so we endeavoured to tender for hospital projects in the north of Ireland. We were successful with our first one well lead to us selling excess of 300,000 worth of equipment and subsequently providing maintenance contracts for the years after that.

Subsequently after that we were also given the opportunity by one of our suppliers Ackermann to supply their product into the UK market, this is something we have just begun recently and we hope that in the future it will be a growing business. We export about 150,000 euros into that market currently and it is something we would hope to grow in the future. The reason for doing that were, we had access to the market, the product

which we could sell into it. The primary driver was that the manufacturer Ackermann said that we could supply into the UK market.

I am aware that there are supports for people for people involved in exports but it has also been my understanding that there has never been supports for companies that are involved in the internal market in Ireland and that really all government supports were for exports. And I suppose given that we were only getting into the export market and we were already established in the internal market, I was not really aware of any supports that would be available or for a company like ourselves.

Interviewer: You say there, that you didn't think they're were supports available. Did you feel that you needed supports? Was there an area in particular that you could identify that that, maybe if you had assistance? Or an issue that you could say you really struggled with?

Interviewee: Yes, I think that if you take the business that we did into the North of Ireland. We struggled with the issue of compliance with equipment that means where equipment meets specifications. The Ackermann product that we were supplying would meet a European specification, the specifications in the North of Ireland was very much based on UK spec. We encountered that similar problem in the UK market. Which meant that when we were trying to supply to UK hospitals operating in public sector, it was very difficult and we were more reliant on getting business in the private hospital sector, which would be more flexible in regard to the implementation of these rules. This is something probably that we would need assistance by some government organisation to get approval for these products or how to go about getting approval for our products in these market.

Interviewee: Did you seek any help for this issue?

Interviewee: I was generally aware that there was help, but this help is for exporting company. Because of being so busy business with our internal business and because we were starting on small scale we were much more inclined to do it ourselves and because we had the resources and experience.

Interviewer: do you mean you used the resources within your company?

Interviewee: yes within our company. I was not aware, or readily aware of government resources that were available to me I felt certainty that I would have to go and look for them and given the kind of market that were in the specialist nature of it I did not see or could not identify readily any sort of resource that would be available to me.

Interviewer: Another question, do you think, at the moment your exporting quiet close to you and I understand you mentioned it's for distribution rights, in terms of your company and further exporting, do you see potential with that? What would be the main barriers do you think would be stopping you from exporting further?

Interviewee: I think the main barrier I have indemnified is this one of compliance. How I could go about getting the products that we have to offer to meet the products spec in the UK which is different to the European regime. In order to undergo that process it would involve submitting products for approval and would require financial resources. The product which we have is exceptionally good and the UK market is open to us and if assistance was available to us in obtaining the right approvals then I believe there is huge potential in the British market in particular.

Interviewer: You mention the British market, do you see yourself exporting ever further away or is it just in terms of that is what you looked at initially or is it do to with product distribution? You mentioned you have compliance in those countries, would export to those countries?

Interviewee: No Europe would not be an option because there are already companies which distribute our products in those countries. The real opportunities would be the offering of our services associated with those products in countries like Asia am Asia minor and the middle-east who has fast growing healthcare infrastructure at hand. The concept of being able to provide expertise, project management and even access to equipment would be an option in some of these countries.

Interviewer: And just a few questions about, when you set up your business from the entrepreneurial side, not just the exporting, was there help available to you then? Did you find that when you were creating your business getting your office space, getting finance or in any situation. Were you helped by government?

Interviewee: Absolutely not no help at all and it was my clear understanding at the time as we were initially starting up a service business in Ireland to the Irish market that no such aid was available. We did make enquires at the time but everything was export orientated.

Interviewer: And just in terms of your process, what was the main struggles issues for you? Is there anything in particular that you could say held you back?

Interviewee: Well initially in a business there are many challenges and barrier but I would imagine the first major barrier that all companies face is cash flow with a view to getting their business started. You need to first of all have cash resources, loans from banks, credit facilities and this facilities the setting up of the business and also sustains it in the early days and cash start to be collected by the company. These are the big challenges in the early days, really getting cash flow flowing. We had a good business model and we had some customers so were lucky in that sense, you know.

Interviewer: Ok so if I just go back to exporting for a moment. I just want to talk to you about exactly the process of, am, what you thought when you were deciding to move into exporting? When you said ok I'm going to go into the North now, if you could give me an idea of your thought process.

Interviewee: Well the fundamental driver was I wanted to grow the business. I wanted to get the business up from certain turnover to the next level and we are in a niche market so then potential is somewhat limited. So the obvious way was to look to a market into which we were not operating at al. Ireland has a synergy so it made sense. But the real driver was to increase turnover, grow the business. You know the need to expand, no business can stay static it's bad. Staying fixed on the same profit levels turnover is comfortable, it nice but it's not motivating it's not challenging. You need to be growing the business. Growing the business is the real driver without a doubt.

Interviewer: Would you say when you were growing the business, you knew this is a need you have. Would you say you said ok I have to grow the business? Would you say you said you have these means or resources and this is how I'm going to use them? Would

you say you had predetermined goal? If you could talk me through your decision process please.

Interviewee: Well I knew that to grow the business in the North of Ireland Given the nature of the economy, we would need a company in the north or Ireland. When we evaluated how to apply for tenders in the north of Ireland, we set up a company first of all in the north of Ireland to give us a north of Ireland flavour to our operations. So we set up a company there and we administrative staff in it and we applied for a tender from it effectively.

Interviewer: So initially you invested in the North of Ireland?

Interviewee: Yes we made a significant investment of securing office space, staffing it and funding all of the costs around doing presentations and tendering for the projects while we were there.

Interviewer: So now you are just operating out of the Republic of Ireland now, the initial costs, obviously there was struggles setting up the business there. When you were set up there what were the main factors that made you pull out?

Interviewee: The reasons in the north of Ireland, well you could say it was cost natural we has success but not significant success. Where we discovered, the problem in the end of the day was the exact same problem we encountered in the UK market, one of equipment compliance to meet health specifications. They have specifications that our prohibitive, they are written around the UK based products not around the European products. This in the end of the day works against us and it's an easy mechanism for competitors use in tender process.

Interviewer: And was there any help from the UK in terms of these kind of problem, were you aware of any help for you there.

Interviewee: No there was nothing. I think in the end of the day when we analysed it, and bear in mind we are still exporting to both these markets and the exports to the UK market are still growing. The markets are still active for us but they have not grown at the rate we would have expected. But the real reason when we examine it is this product barrier, in

terms of specification now in order to resolve that issue you would need government assistance. It means submitting products for approval and there would be a lot of cost involved in this process. It would mean getting assistance in order to do that because it is time consuming and it would involve a cost base to do it if we were to undertake that route. If we had full approval for our products in that market there is no doubt we would gain greater sales.

Interviewer: So you believe there is a potential for your company to have a higher growth of exporting

Interviewee: I do

Interviewer: And do you believe that that would lead to more employment within your company

Interviewee: Absolutely it would

Interviewer: You identified the main issue for you was product compliance and when you identified this issue what would you say was done about it. Did you go to any external source for information?

Interviewee: Well the issue of product compliance was complex, in the sense that it wasn't clear. We were complaint in some project and not in others, it seemed to depend who the purchaser was, it was ambiguous to say the least. We went back to our manufacturing saying that you know, for example the issue with compliance would be a button would be red but the customer would need it to be orange. But obviously in a product that is made for a European wide market such changes are not easily done for one market. The real challenge would be to get the orange button expected in the UK market. These were the compliance issues, what I'm saying is they were often trivial, but were used by other suppliers against us to win major tenders. We would have needed assistance in getting those barriers overcome in other words making submissions to UK department of health, this product is as good as other can you note it is compliant.

Interviewer: And did you seek assistance?

Interviewee: We did. We went, not from government sources but from consultant engineers in the north of Ireland and showed the specifications of our equipment and sought them to identify what the objections might be. As I said the objections were often trivial but these small things can amount to a lot in a tender.

Interviewer: Just one other question. In your opinion do you think that the government are a good support in your case or for other businesses you know? Do you believe that they provide a good support system?

Interviewee: I think for people that are already in business. It is not easy to become aware of what the government is offering you would really have to go and seek it out. You hear a lot of talk about Enterprise Ireland, this that and that and for talking on employees. But in regards of growing your business, in terms of market share and even in Ireland even for export, help is not readily evident.

Interviewer: What kind of training / support do you feel entrepreneurs would benefit from?

Interviewee: Well in the initial days it's all about getting cash in you know, so making sales and getting orders. This is what a lot of people forget about.

Interview 2

IT Consultant and Co-Workinn Founding Director

Interviewer: If you just want to begin by telling me a little bit about your business what you're doing and the overseas aspect of it.

Interviewee: Co-workinn is a co working space. Which basically means that I provide a space for entrepreneurs or people that our self-employed or people who just work by themselves can come together and work in a community if you want. So get to enjoy the social aspects of working which normally people who are self-employed would be lacking. So there is different types of people based there. Self-employed, people with small businesses. There wouldn't be a large business because they would take over the place if you like. So it really is for, most people are one person. The other type of people that are there are remote employees of business that are overseas.

Interviewer: So it provides a base for people. So it's all different types of businesses

Interviewee: yes all different types.

Interviewer: So just in terms of yourself, or maybe even you can speak of the co-workinn member. Why do you feel people look to exporting? Would it be due to the market size here, or opportunities or product?

Interviewee: For me the opportunity comes to me myself. I'm only advertising locally so if people come to me it's out of my control if they are based overseas or in Ireland. At the moment I have the UK, Sweden and Denmark. I also have potential people from Poland and others that are looking for space to work in Ireland.

Interviewer: With your overseas clients, what would be initial barriers you came across? In your first interactions. For example did you find language barrier or was their communication issues anything like that.

Interviewee: No because in my case people were already in the country and if there was a language barrier they had overcome it themselves. When, if dealing directly with France I would have an issue language I would have an issue. But if somewhere from France lands on my doorstep they speak English so it probably doesn't apply to me.

Interviewer: Oh yes ok, so they sought you out. And then just in terms of the government, in any aspect of your business have you received any help, any funding? Supports?

Interviewee: Funding no, but I didn't apply for any. Am that's not complete true I did get an SBCI loan which is at 2%, you know less than the usual rate. Am which I'm not sure if that EU or government funded but I just applied to the bank and got it. I probably could have applied for funding for the website and like that but I didn't.

Interviewer: And when you say you didn't. Would you say it's because you didn't seek it out or was it that there was nothing available for you?

Interviewee: Two reasons. One I don't do a lot of exporting and I don't employ anybody. Which are the two criteria they look at. I could be wrong but my thoughts are that I couldn't receive anything on the bases that I don't export a lot, I don't employ anybody. So I didn't apply cause I know there is a lot involved with putting together business plans and actually presenting them and so on, to actually receive funding. I have more to do with my time.

Now I do remember I applied early on to the local enterprise board, had a competition for business and people were put forward business plan. I was encouraged to do so and I did. Now I didn't even get to the first round and when I enquired why was because I had to exports and no employment. Now the no exports is not quite true but it's not export driven.

Interviewer: Now were there any barriers that you felt something that was a big obstacle for you that you felt, any barriers that were government led? Was there any process that nearly made you stop?

Interviewee: No. In fact I think it is EU led the fact that I don't have to charge VAT to EU customers once I get the VAT number which is a big plus for cash flow reasons,

especially when they are overseas customers. Am it would be more awkward to recover it, because it is inter country. All my stuff is below the threshold.

Interviewer: In terms of not just exporting, but in business processes is your perception of the government that they have a lot of initiatives, that they are supportive of entrepreneurs in Ireland. What are you feeling on that?

Interviewee: My feelings are that they do give it a lot of lip service. They have LEO's in place but I think that for them the main focus is to get the FDI, get the large multinationals in because that ticks a lot of boxes very quickly and that one man start-ups aren't. I think the bank for their buck it the big companies. Which is the same mistakes the banks made they were funding very large project instead of a number of small projects and it is just easier. And as you know if someone comes along with a 10% tax rate we will be in big trouble. So I think they do pay some lip service to it. Unless your applying to the high potential startup your still very much on your own.

Interviewer: You spoke about your own experiences. Have you seen or know of any other businesses that have received any big investment or funding?

Interviewee: Well I don't ask people. But I do know of one company they were providing sports gear, they put together a business plan and they managed to get funding. I also know one or two people who got funding for their website. It doesn't amount to whole lots it's a few 1000s euro.

Interviewer: Do you think they are only helping after they initial stage when people already give employment and are set up.

Interviewee: I think so many fail they are probably wise not to.

Interviewer: You say so many fail, that's why the government don't invest in them

Interviewee: I think the 10% that do make it that's a good time to look at them. I have heard of other initiative where they will help someone to come of the dole to give them help for year or two after to start a business. They send you on training course and you

become self-employed but many of them don't make it through then because they are self-employed they can't get the dole.

A lot of people go into things with their eyes wide shut

Interviewer: Besides funding what is another thing that you think entrepreneurs really need?

Interviewee: Well something that is provided is the LEO's provide networking opportunities. There people can meet other entrepreneurs and other businesses. And receive a certain amount of casual training, sometimes they bring in speakers.

Interviewer: And what is your opinion of mentoring, getting experienced entrepreneurs to teach and train aspiring and new entrepreneurs? Do you think teaching entrepreneurs business skills would be a good idea?

Interviewee: Absolutely, that's probably what they are missing is business skills. That only comes with experience. Particularly a chief starting a restaurant knows nothing about business, some of them can succeed or fail on whether they can quickly learn how to run a business or not, as well as being a chef.

And that was probably my biggest challenge going from being a computer programmer to actually running the business and all aspects of the business and none of which involves computer programming, which probably helps. And I still actually do computer programming on the side.

So yeah the LEO's do provide network and training about business, however they are run by civil servants not business people. They suggest that you can make sales out of this networking, but that's not what networking is about

Interviewer: yes research shows one that the main issues for entrepreneurs and exporters in generating sales. Would you agree with that?

Interviewee: Yes. There is differences between the way entrepreneurs sell and the way they are thought to sell. An experienced sales person has a different experience selling, you have to walk in and sell and convince people when you've only been around six

months and that you'll be here in six months. There is a difference to selling as an entrepreneur and start-up.

Interviewer: Do you feel that entrepreneurs, obviously funding is important but do you feel educating entrepreneurs is an important factor to them, to you think teaching them skill is an alternative to providing funding?

Interviewee: I think yes but only on the basis that everyone needs ongoing education. When entering into a new environment, new skill everyone needs some education. Obviously some manage to wing it without it but I think the majority need training. If you are running all aspects of the business accounts receivable to payable. People who started as sales people they probably has an advantage, whereas if you're starting out as an engineer learning sales will be essential. That's probably the one thing that you can't really delegate, you probably can the rest if you've a few bob you can pay someone else to do it. The business can't run without it (sales) and you're the best person to do it. So yes I think sales is the biggest area (for training).

Interviewer: And do you feel? You mentioned your co-working environment, do you feel you learn off each other? Gain experiences from each other? Maybe elaborate on how?

Interviewee: Well first of all it's very informal. There was a time when we ran a weekly meeting talk about how everything was going. People build relationships within the environment, it's very hard not to. It's so easy to just ask a question casually, you don't have to seek someone out or make an appointment. When you are with five or six people someone is likely to know or know someone who knows.

Interviewer: Is there any other recommendations you would make for entrepreneurs that they need?...bar funding.

Interviewee: Not every business needs funding. Well I could have done with it but I struggled through and I was looking I had a few savings which don't exist now, so I was self-funded. But a lot of small businesses who start-up on the internet shouldn't need any funding, some not all. Certainly now there are a lot of people working one man on a laptop and there is no reason why they should be able to get up and running to a point where they

can support themselves. Now if they want to grow and employ people it's different but then you're into possible exports, so you might stand a chance of getting some funding. And you know if I was government I'd probably see who was going to survive first. There are as I said the LEO's provide start-up support and I think if you're a high potential start up you might stand a chance of getting some. As I said I didn't even try because I felt the effort would be worth the return and the probability of being successful was low enough.

If you take what I'm doing people in the civil service just see it as a serviced office, they don't see it as what it is. Yeah maybe that my perception of what they think. But there are several co-working spaces around Dublin.

Interviewer: Do you have any other comments that you feel government. I know you mentioned there the perceptions they have or your perceptions?

Interviewee: I'm bias probably

Interviewer: No that's understandable. I am trying to understand people perceptions. Do you feel there is support there?

Interviewee: I'd say there is support but I'd say the funds are limited. To be honest I don't know enough, I haven't applied I've heard of various schemes but the application form is 10 pages long and I put it aside

Interviewer: Do you feel these schemes are promoted or explained?

Interviewee: I've heard through people, one I might apply for next year I can't remember the name. I might be able to tell more then.

Interviewee breaks to tell story (not relevant)

Interviewer: Just back to what we were speaking about earlier: do you believe that a successful entrepreneur and exporting entrepreneurs, that there success is down to them being helped or do you think that an entrepreneur will be successful anyway? – would you say its down to self-help?

Interviewee: I think there are two answers. One it is absolutely essential that they are going to be successful anyway but there are some businesses who can move forward

without a cash injection. Therefore, you need to inject it into a business that is going to be successful anyone. That is like a nature or nurture question. Some people are born entrepreneurs as they say, but it is also something that can be learnt there is no question about that. Am but it does help if you could get, but in some cases if you need a flight of trucks to start a business then yes you need funding, whether is the government or a bank or venture capitalist, you have to convince somebody. But if someone is saying they need money to be a web designer that doesn't cut it because you don't need a lot of money to start that. They can slowly expand or you can do it in a hurry. Again coming back to if you found people who had a fantastic idea you might want to accelerate it by giving them money and not wait for it to grow organically, but it's down to getting the right people and recognising them and that's a skill.

Interviewer: And when you say the right people, would you say it's about the right business or the right people?

Interviewee: the right people. People buy from people they don't buy from businesses. Am it's a cliché I know but it's a fact. But yeah again I'm a bit sceptical about government led programs. I remember many many years ago I got onto a DIT, dare I say it course that was run by DIT on behalf of the government. And I got on that I shouldn't have got on it the reason I got on it, the person who is no longer involved didn't understand the technology and it was mundane, they didn't understand it so it must be really innovative but it wasn't. Admitted I learnt a lot. So I think sometimes if you like the people who are running it don't have the skills themselves to decide if it's right.

Interviewer: Yes I notices you mentioned this about the other government schemes, the evaluators aren't really specialised enough to know if yours is worthwhile.

Interviewee: Some things are obviously worthwhile but if it's a case that they didn't fully understand the technology. It's something they used really. Would you call it innovative? Not really, they didn't know

Interview 3 & 4

Interviewee 3, Founding Director1 - Open Wi-Fi and other Businesses

Interviewee 4, Founding Director2 - Open Wi-Fi and other Businesses

Interviewer: If you could begin with telling me a bit about your business.

Interviewee3: Yeah ok Open Wi-Fi was founded in 2013. It is a clever hotspot in Wi-Fi. Consequently we give people the opportunity to use Wi-Fi and we gather the information on it while they are using it. We allow then the retailer or the business owner to use that information to contact the customer, retain the customer and encourage the customer to spend more shop more with them. Well that's it in simple terms.

Interviewer: When forming the business, you received help from Enterprise Ireland?

Interviewee 4: Oh yes.

Interviewee3: Yes hugely, we would not be here were it not for Enterprise Ireland. We found incredibly professional to deal with. We were very lucky that the people we came across in Enterprise Ireland generally got the technology very early in the campaign. They understood the concept of what we were trying to do and they were thoroughly professional dealing with us. We had to go and present a full business plan and meet on numerous occasions in order to elicit their support. We were the people you call high potential start-ups and we got money through that and that was the foundation money to get the business going.

They also came in on a 50/50 model with us, where we raised funding and they matched the funding with us and we got that of them and they are a shareholder in the business.

Interviewer: In terms of your initial meeting with them, how did you find out about them and the scheme?

Interviewee 3: We were very much aware that there is government support for start-ups particularly if you have a product that's exportable and they are also terribly interested in technology products. We are a technology product and our interest is in the export market as well. To be based in Ireland using Irish intelligence to build a product and then looking at a distribution model to go global. We fit what they are looking for and they fit what we are looking for, so that was an easy enough understanding and then obviously they had to look at the business model we had, the concept and the people behind it. They took a very thorough view and examined us completely and they felt that we feel within the remit of what they were looking for. So both parties suited each other.

Interviewer: In relation to the process did you find it hard dealing with them? The application process.

Interviewee3: No

Interviewer 4: No, very fair

Interviewee3: I actually found it to be extremely straight forward. I didn't find any part of the process tiring. Everything they did you would expect every part of due diligence to be done on you. So if you weren't capable of answering the questions they were asking there is a flaw in your plan.

Interviewer: Do you feel if Enterprise Ireland hadn't approved your plan, the business wouldn't have gone ahead?

Interviewee 3: the initial part of it you fill in an online form and then you're summoned to a meeting where you compete with numerous other companies for the funding and that involves going in sitting at table on your own with 14 other guys at the other side of the table. You have a presentation then you have questions. Now if that's pressure and if you can handle pressure and concisely explain what you are about, in that sort period of time you have a problem. Well like anything if you can't explain something in four minutes you either confused yourself or you don't know what you're talking about. So I found that was good news we had to distil what we were doing to about four minutes, great. Then the questions they were asking if we couldn't interpret, understand or understand what

they were going to ask we shouldn't be there in the first place. So I found that quiet good and that got us the initial funding.

When we returned we had to do up a business plan based on what our plans were for the next couple of years, how we were going to go about building the company to get the next level of funding. Well I would expect to do the same for any sort of funding, and they were as thorough as anyone else was and professional in dealing with numerous industries. But the same principles apply if you're selling coal or technology if you don't know what you're doing, you're found out and we had a clear understanding of what our product was about and how we were going to distribute it. We were able to explain that to Enterprise Ireland and in fairness they understood it and they bought into it. The preparation we did for Enterprise Ireland was exactly what I would expect to do for anybody else.

Interviewer: What stage of the development were you at when you went to Enterprise Ireland?

Interviewee 3: Well we had written software and we had already trailed it in the marketplace. We had found a partner to distribute it and we had made sales. We knew we could do it, we knew we could sell it, we knew someone wanted to buy it. We had explored the scale of the market and said well right this is definitely an angle and we knew how to go international with it. So we had got over all the concept stage and we were into the reality stage but we needed the money and the help in order to get to that particular point. The capital that they were able to inject at that particular time was absolutely essential and if Enterprise Ireland are willing to put funding in, it is a confidence for our story even further.

Interviewer: So would you say it legitimised your business?

Interviewee 4: Yes

Interviewee 3: Of course it did, because we were able to go with real customers for them to talk to. Enterprise Ireland were able to see that we were real. Then when they came on board that adds to our credibility. Each part of the jigsaw helped each other.

Interviewer: Was there any barriers when you were setting up, that came out as the main obstacles you had to overcome?

Interviewee 3: No there is never any barriers, you create them yourself. There are no barriers to creating a business

Interviewer: What were you motivators or pull factors to go into your own business?

Interviewee 3: I'm unemployable. I don't want to work for anybody I couldn't work for anybody. I couldn't actually take an instruction from somebody else, sure I think I'm right.

Interview 4: Nobody else can work with him either.

Interviewer: Do you believe that that is the majority of people's reasons for going into a business?

Interviewee 4: No not at all

Interviewee 3: It's a necessity, the only reason people go into business themselves, most people find themselves with an opportunity, and most businesses start up and don't have overnight success it's built over 20 years. We have had enough disasters in the past, so that's the first part. You either get very very lucky with something that works very quickly and there is the issue that the business you get into you may just be either too early or too late with a product. You may not come across the right breaks so there is an a lot of lucky stuff, but the more you keep doing things the more chances you have and certainly now to succeed Ireland is cool we don't have a reputation for find oil , gas or manufacturing cars but we our seen as a good place for technology. So on a global scale if someone says oh yeah he is an Irish company, he's involved in technology that's a plus. No if I was from Bangladesh or India that's not necessarily a plus but whereas they are seen as huge for textiles, so if you are looking to buy cotton go there, not Ireland. So we just can't manufacture in Ireland at price that makes sense.

But producing software yeah were cool at that. That's why if you look at all the success stories coming out of Ireland were starting to have success. Irish companies with Irish products and also Ireland is seen strong in this area. Also in drugs there is a lot going on.

So if you want to set up a business in Ireland they aren't a bad idea, especially if you want to go into exports.

Interviewee 4: it's strong.

Interviewee 3: Technology I feel into by complete accident, our other partner is the guy who does it. I'm just a sales guy. That's it.

Interviewer: A lot of start-ups fail. It's a lot of people with ideas, maybe they don't have the business skills, and what would you feel bar funding that start-ups would really benefit from?

Interviewee 3: reality, a dose of reality is the best thing a fella can get. You need to be able to hang in for minimum of 5 years, you probably need to have a second job. You can't just go into it on your own, the big mistake people make is they listen to fellas tell them you need to give this 110% horse crap and you need to focus. Well sure of course you're focused and you're interested but if you've no money coming in and you can't feed any body and you can't feed yourself you're going to fail. I would suggest you really need to prove the concept through half doing it, nearly in your spare time. There is no way, no way you can't keep a thing going if its generating no money it just can't be done.

People watch the Disneyland about the successful entrepreneur and the guy always gets the big deal and the big break and becomes really successful. Well that doesn't happen to a lot of people and the only reports on the news, TV or radio are of the great success stories. The 80% of guys that are sitting in the gutter don't get reported.

In Ireland failure in business is not good news. We don't have the American society where you are aloud fail. You are stuck with a very bad reputation, you didn't pay your bills so the bank won't give you any more money, the boys won't trust you anymore. Failure in Ireland is seen as you are a failure. In other countries its, at least he's trying and he has a history of trying things. That's the rules

Interviewer: Do you think that that is an issue for people, the fear of failure? That they can't risk it?

Interviewee 3: Sure you're gone, you can't risk it. Now people know you will lose your house. If you are a certain age and you have family, wife she's not working or not earning enough. Look at the financial pressure that brings, you are probably looking at the end of a relationship. Your personal stuff is affected, business stuff is and financially you're bollixed. That's a pretty decent reason not to start, or you are held back. I understand people it's a frightening area to get into.

Interviewer: Do you think it's too much pressure for most people?

Interviewee 3: Most people can't handle it you see most people are sheep, they prefer to be instructed, they go home each day and say oh I hate my job and everything else. But you know what the options is. People don't want to risk losing three years of their life if they fail at a business, which is what happens, three years gone.

Interviewer: Again you mention failure, do you believe mentoring and training and providing networks for entrepreneurs could help?

Interviewee 3: Yeah there is no doubt, if you come across the right kind of people it can certainly help but aahh, you know in reality if you meet people who have set up a business they are terribly single minded, so when they are getting good advice they are probably not listening to it. In reality and they would be thinking, well mister mentor it's easy for you to give the advice now you don't understand, you've got bigger motor and everything is going well. And while the advice is well and good if I ain't got money to pay the electricity at the end of this week that's no good. What's your plan for that? Its cash! And the problem is cash runs out and then you're faced with a huge problem, that's a huge issue, your smashed really. It's hard to recover, the recovery huge damage is done. What happens when you fail? It's very hard to get people to admit to failure, people are full of confidence. We have lost loads errors I've made myself.

Interviewer: It's said that entrepreneurs have different attitudes to failure in research, what would you think about that? That they keep going for example.

Interviewee 3: That's horse crap, they think they are cool or whatever. The reality is it's much harsher than that. Where am I going to get them money to go again? I owe the bank

money for the first failure, it's a crux, they aren't going to give me money a again. So I try raise money from some guys, they say well god that didn't go well the last time, for whatever reason we couldn't really fund you again. They will fund guys who are successful because he has got a track record. Everybody says will what's your track record. That's always the question and it's even harder if you have no history at all. This is the big big issue how you get go again, it's tough going in Ireland. How much do you put in, it's a risk element.

People also get caught up in who invested what, shareholding, im not working for him kind of thing. Finding the right people is very tough.

Interviewer: Do you believe it's more about the people or the product?

Interviewee 3: I've been in one, the two of us had a huge falling out and sure it finished the company. The people are more important.

The net effect of that experience was the company fell apart and I got left holding all the debts and a bad name. He's gone. Buried the product, everything was lost families were involved and its left ten years of grief. The debt that's left there someone had to pay it off so it's me. That's what happens in a mess, some fall outs are fixable some not, relationships are important.

In the civil courts the person with more money always wins. Right or wrong gets lost in the moral of money

Interviewer: And in terms of from as you say you have a lot of experience. What would you recommend to people trying to start a business?

Interviewee 3: Don't, get a job earn some money and set the business up while you're working get it to a point that you feel there is growth in it, where you're not dependant on others then drive on. But if you've a really good idea and you can get adequate funding in it's a really great idea, but how long will you last in it before you get blown out yourself, but what's your exit strategy, how do you get some cash out of it, because most guys who invest look at you and say brilliant idea but he or she is not fit to run the business. They are looking to get rid of you fairly quickly, are they benign are they going to give you a

half decent reward for it or are they just going to destroy you. Have you got another idea coming out after this to give you longevity? Generally these guys are really good at ideas and have multiple of them so once they start up with one thing they diversify and diversify, they keep coming out with cool stuff, but you need some half decent success to get you started.

If you look at it globally how many real success stories are there, what we have a population of 7.5 billion and there is a very minute percentage that have hit the heights. Look at the global tech companies. The key guys are running everything.

Interviewee 4: Yeah the four main guys.. you know Facebook, Google, Twitter and ahh Amazon. They are watching and controlling everything you do, your being recorded. Be afraid of it or not. I think it's irrelevant.

Interviewee 3 & 4 go off topic with stories.

Interviewee 3: So yeah when you talk about success its quiet hard. Anyway what is success? Do you want to become a multi zillion heir or do you want to just make a good living or just eat.

Interviewer: You mentioned, you needed to work for yourself, was that your pull factor or say motivation?

Interviewee 3: No, I never wanted to work for myself I made a huge mistake. My father was an entrepreneur he suffered a horrific hard going life where he was working 20 hours a day. We had a farm, we had a pub and he was an auctioneer. I looked at the way he was living and he got cancer at 47 and it killed him in 10 years and I reckoned well that never what I want to do. So I went and got the good secure job and I was earning good money. I got myself embroiled in something and before I knew it I was out on my own without any planning and the last 20 years have been a horror show of hell.

Interviewee 4: He's really 35

Interviewee 3: So no I'd no plans, I would never do this.

Interviewer: So it was something you were pushed into?

Interviewee 3: I remember the phone call that created all of this mess and it has been a challenging environment and we have had to reinvent ourselves about god knows how many times and we just about kept ahead of the posy most of the time. But yeah if I was asked to do it again I couldn't do have the stuff I was asked to do again, I couldn't I wouldn't have the energy to do it. I don't know how we do it, half the time I don't know how we even survived to get to her, to be truthful.

That's the plan survive and we do have a strategy were very single minded and we know exactly what we're trying to do and getting there is unbelievably challenging and we have had a lot of breaks and lads who work very very hard. We have high quality guys around us and there is very few of us and we all trust each other, which is the number one thing.

Interviewee 3 to interviewee 4: Sure I told her about the last guy the ...

Interviewee 4: but the hassle it caused on a failing company it was just a load of grief.

Interviewee 3: it was the greed of one human being

Interviewee 4: Yes greed

Interviewee 3: So at least we haven't gone to the trouble fighting among ourselves. A guy evolved in this company is embroiled in a legal dispute with a guy they were in the same country. It will never be sorted it will just cost money and our guy is distracted the whole time with it.

Interviewee 4: In saying all the negative stuff, we still have good bit of craic together, we still have a laugh and that's what keeps us going. Rather than business minded the whole time.

Interviewee 3: No were not, that's beer talk.

Interviewee 4: yeah

Interviewee 3: it's not like were going around 24/7. The reality is most stuff you can't control. You think you can you can't. We our very much dependant on lots of other people. There is a certain amount of luck, a certain amount of things happening. It isn't in anyway complicated its very straight forward and simple.

It's like when you do your leaving cert if you do jack shit, more than likely you're going to struggle unless you're highly intelligent, if you do a certain amount of work you do ok and if you work reasonable hard you'll roughly get some sort of reward.

Interviewee 4: It's the same thing with us, if you put yourself in the right position at the right time you give yourself a chance.

Interviewer: That's great. Ok so just to bring you back to the government do you believe that they helped you. So you believe that they are helpful to start-ups in Ireland or is it very selective?

Interviewee 3: No no, there is huge help, with really good people for start-ups in Ireland. The system in Ireland is excellent and the people who knock the government do so from a lack of knowledge and stupidity. Especially Enterprise Ireland is full of good people, they also have so unless people but what organisation hasn't. In general they are extremely helpful and positive. For a lot of people it's a handy way to get a few quid but for a lot of people that few quid is the difference between keeping your business going or not. If you keep the business going the government will get the money back through VAT and the load of tax that we pay.

It's a superb idea they have set up and they are very focused. I genuinely think we are extremely lucky and Ireland is very small and people do know of your reputation very quickly and they do want to help fellas.

Interviewee 4: Genuinely my experience has been excellent and if you needed any sort of help or hand any questions you could pick up the phone as well.

Interviewee 3: There are numerous things they set up to go to.

Interviewee 4: There are people in the same situation as you and you can listen to their conversation and you can help them with your experience as well.

Interviewee 3: The fellas who are negative, it is someone else's fault. We have been wrong 90% of the time.

Interviewee 4: It's to know yourself when you're wrong and hold your hands up. We're not geniuses we don't know everything. You need to look for help

Interviewee 3: ahhh gee, I think it's even easier than that. You know yourself when things are right. I made a balls of something yesterday and I have to try and repair it now. The reality is its terribly common sense and if you apply mostly common sense to everything you have a reasonable chance. You can grow a business from Ireland as big as you possibly want, everything is there for you. Let's be honest absolutely there for you. Ireland is as good a place to do business as anywhere in the world. It's a fantastic testing ground, if you can make something succeed in Dublin and in Ireland you can definitely succeed in any other city. Were as commercial as any other city on the planet and the time scale between the zones has now dropped off you're on the button straight away.

It's also small enough over here to get something going do a test phase on it and see will it actually work, so yeah I would think Ireland is a great place to do business and Enterprise Ireland I would have no negatives about them.

Interviewee 4: Another thing is people buy from people and that's the thing about Irish people, they have the gift of the gab and they have a bit of craic while getting the point across if they are in a sales organisation.

Interviewee 3: which is what ruined us during the last so called Celtic Tiger and certain people just made too much money and we ended up creating an elitist class that stuck around themselves and it didn't do us any favours anyway. I mean were talking about some truly obnoxious human beings. Some of your friends are from families of truly obnoxious people, no more than my own. There is something about being obnoxious and braggadocio that grates on most people. We're not good at doing it, the Americans can do it because that's the way they naturally speak. But we started doing it and it didn't suit our style.

Interviewee 4: No it didn't

Interviewee 3: So I think the good kicking we got probably, realised people again. Not all but a little bit. I just think that your behaviour is rather important. Just try and behave

with a little bit of class to people. The old story be nice to people on the way up because when you get the old kicking on the way back down. So behave, respect people and which is why I appreciated the fact that you went to the trouble of making a call so I went yeah alright I will.

Interviewee 3: Listen to the attitude.

Interviewee 4: You see some people think they are higher up, that's why they would help. They feel important in their own lives and who are you. It shouldn't be like that really.

Interviewee 3: The next generation coming are more important. Your way more important they we are. We are a spent force at this stage.

Interviewee 4: You are ha.

Interviewee 3: So it's the next batch coming down the road who are going to create it. No more different than a sports team if you aren't looking after an underage structure and bringing the next batch of kids through, well the team would just die off. You should always be interested in the people coming behind you.

The business that were in, we do our best to find the right partners and we have a shit load of distance to go yet. We made a huge amount of progress a lot of good stuff going on but still a long way to go, long long way.

Interviewee 4: You know people need to support people, Ireland is bad for that they are nearly happy to see you fail. I had a business that failed and the slagging I got, and in a small town. It's hard to pick yourself back up. But we did

Interview 5

Interviewee 5- Owner of Dwan Fishing

Interviewer: Could you begin by telling me about your business and how you got into exporting.

Interviewee: Yes, well I started fishing with my father and that's how I got into the business, it's been in the family for generations. Originally we would have been a lot smaller you know just supplying to local fish shops and in the city, we also sold fish out of the family home. Back then we had a very small boat but gradually we got bigger and now we had a trawler. With the smaller boats my father wouldn't have been able to fish all year round, because of weather. Which means a lot less money but this bigger boat means I can.

Interviewer: I see and how did the exporting begin?

Interviewee: Well we export through distributors mainly to France, you see as I got bigger boats the more wish we had and the local demand wasn't high enough so we export. Lobster is the biggest export. I have 1500 pots and pull 1400 a day

Interviewer: So what were the reasons you decided to grow the business?

Interviewee: Well the demand was there and I saw what people were doing in other fishing villages. I wanted to get into the export market I needed volume, they aren't into small amounts which meant a bigger.

Interviewer: Did you get any help in the process?

Interviewee: No nothing, well my first boat had been my father's but otherwise no.

Interviewer: Were there any obstacles in way?

Interviewee: Well there are government restrictions are they banned fishing for salmon which limits me. So I had to then I had to go fishing out to sea to get other white fish I needed a bigger boat for that.

Also if I catch female lobsters I have to put them back into the water to protect the stocks, so this places restrictions. We also have quota for different fish and the quota is dependent on the size of the boat. Our boats also get checked by the Fishery Protection Offices and we can be boarded at any time, this is to make sure we are following the rules. Our nets have to be a certain size and type. If you get checked its time consuming you know.

I also have to be registered and have a fishing licence, with a big fee. Now if I want a second boat I'll have to get another licence.

Interviewer: Did you receive help or know about any?

Interviewee: No nothing, just common knowledge there is very little aid for fishing industry. To be honest I don't know about any help or anyone how has got any, your pretty much on your own. If the weather is bad and I can't get out and I make no money. The state don't help.

Interviewer: So do your staff get paid?

Interviewee: No it works like you get a share of the catch, no help if you don't go out for long time. Were treated very different to agriculture, where you have many subsidies in place

Interviewer: So what are you perceptions of the government aid?

Interviewee: Well for me it doesn't help, of the late they have placed more restrictions on us than help. They have made it very difficult. No we also have to safety training on top of everything else and then you need all this equipment. Which stops a lot of fishermen. Of course it's all needed there has been a lot of accidents

Interviewer: In terms of the future, do you think you'll keep growing? Or are there obstacles for you.

Interviewee: Well, currently I'm having a boat built in the UK which is a lot bigger that is safer and hopefully with stand all weather.

Interviewer: And did you get any help to fund the boat?

Interviewee: No not at all. Its hard work, I'd hope eventually id be able to just let people work for me, I'm getting a bad back from it. Now I've bought new equipment that does a lot of the work for me but hopefully I'll get big enough to now have to work as much myself.

Initially my father started very small just off the local slip, then got a bit bigger so he went to the harbor, we've been growing since then. My big boat now depends on the tide so I have to have a small boat to get out to the big one. That's an obstacle I guess.

Interviewer: Sound very hard struggle,

Interviewee: It is

Interviewer: Do you know of people doing well?

Interviewee: No god most struggle a lot, a lot harder than me and the younger people aren't picking up fishing the way I did. Now when people take it up they go work for the big scale.

Interviewer: And for you did you feel you had to get bigger?

Interviewee: Yes of course, in order to make a decedent living I had to get bigger you know, especially with all the new regulations and restrictions and now all the foreign competition. The big boats come, they are taking the stock when they come in, the cod and the white fish.

Interviewer: Do you have any recommendations for you industry, which could help?

Interviewee: Ah during bad weather if we could be on a par with agriculture and you know some grants to help you grow especially the small lads when you're starting out. That would help you know my brother is struggling too. A lot of people don't get into the business because of the irregularity like if you don't get out for month and the young lads have rent, there is now grantee they will have it you don't have a regular wage and they need to save you know when times are good to prepare for the winter months. Now hopefully the bigger boat will sort that out for my guys and myself.

Sure we would all like a bit of help. Would be great to be treated like the farmers.